



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

W

June 1, 1999

Joint Committee on Finance

Paper #1065

Wisconsin Conservation Corps -- Funding for Crews (DWD -- Employment, Training and Vocational Rehabilitation Programs)

[LFB 1999-01 Budget Summary: Page 674, #10]

CURRENT LAW

The 1998-99 base funding for Wisconsin Conservation Corps (WCC) enrollee support is \$4,940,600 and is comprised of the following: (a) \$1,556,800 GPR; (b) \$597,600 PR; and (c) \$2,786,200 SEG.

GOVERNOR

Provide \$321,700 SEG in 1999-00 and \$428,800 SEG in 2000-01 from the forestry account of the conservation fund for WCC crew costs.

DISCUSSION POINTS

1. WCC crews perform a variety of projects, including timber stand improvement, planting trees, trail development, soil erosion control, construction of recreational facilities, weatherizing buildings and human services projects. General categories of the types of projects that have been undertaken include forestry management, wildlife management, fishery development, natural area improvement and restoration, weatherization and energy conservation, historical preservation, physical accessibility, housing, parks and recreation, and erosion control. In the 1997-99 biennium the WCC employed 50 crews and conducted projects throughout the state.

2. As noted, total base level program revenue funding for enrollee operations is \$597,600. The sources of program revenue include: (a) \$310,000 primarily from contracts with the Department of Natural Resources (DNR) for natural resources projects; (b) \$177,600 in fish and

wildlife funding received from DNR; (c) \$100,000 expenditures authority for weatherization projects funded by oil overcharge monies; and (d) \$10,000 from project sponsor contributions. Total base level SEG funding is \$2,786,200. The SEG funding includes: (a) \$2,567,800 from the forestry account of the conservation fund; (b) \$141,700 from the water resources account of the conservation fund; and (c) \$76,700 from the environmental fund.

3. In some cases, the source of funding for WCC projects is related to the type of projects that are funded. For example, SEG funding from the water resources account is required to be used for projects along waterfronts. Similarly, the program revenue from state fish and wildlife funds must be used for related projects. Moreover, the various sources of SEG and PR funding generally reflect the types of natural resource projects that are performed by the WCC crews. However, there is often not a direct connection between the funding source and the type of projects.

4. The 1997-99 biennial budget (1997 Wisconsin Act 27) increased forestry account SEG funding for WCC general enrollee operations by \$2,224,500 in 1997-98 and \$2,239,100 in 1998-99 and decreased GPR funding by \$1,000,000 annually. The Legislature also included a provision to clarify that forestry account monies could be used to fund WCC projects. The SEG funding was used to offset GPR funding, to cover costs related to the increased minimum wage, and to pay social security taxes and unemployment compensation benefits for crew leaders. Prior to Act 27, annual SEG forestry account funding for WCC enrollee operations was about \$330,000.

5. AB 133 would provide \$321,700 SEG in 1999-00 and \$428,800 SEG in 2000-01 from the forestry account of the conservation fund to fund 55 WCC crews.

6. Table 1 shows the distribution of funding sources for general enrollee operations for the current year and for 1999-00 and 2000-01 under the provisions of AB 133. The table shows that the percentage of general enrollee operations that would be funded with forestry account money would reach about 58% by the end of the biennium.

TABLE 1

**Source of Funding for General Enrollee Operations
Under AB 133**

	<u>1998-99</u>	<u>Percent</u>	<u>1999-00</u>	<u>Percent</u>	<u>2000-01</u>	<u>Percent</u>
GPR	\$1,556,800	31.51%	\$1,506,700	29.72%	\$1,506,700	29.10%
PR	\$597,600	12.10%	\$455,900	8.99%	\$455,900	8.81%
SEG						
Forestry Account	\$2,567,800	51.97%	\$2,889,500	56.99%	\$2,996,600	57.88%
Water Resources Account	141,700	2.87	141,700	2.79	141,700	2.74
Environmental Fund	<u>76,700</u>	<u>1.55</u>	<u>76,700</u>	<u>1.51</u>	<u>76,700</u>	<u>1.48</u>
Total SEG	\$2,786,200	56.39%	\$3,107,900	61.29%	\$3,215,000	62.09%
Total Enrollee Operations	\$4,940,600	100.00%	\$5,070,500	100.00%	\$5,177,600	100.00%

7. Most expenditures from the forestry account are for activities specifically related to forestry (such as county forest programs, forest fire protection and forest tax law aids). Some expenditures, however, are more broadly related to forestry (such as a portion of DNR administrative costs and general operations in state forests). Forestry account monies have historically been used to fund WCC projects. Initially, the program was funded entirely with forestry account monies. Also, many current WCC projects involve forest management and improvement activities. WCC estimates that 14% of crew activities involve specific forestry work such as tree planting, timber stand improvement and pruning. Other projects involve more general related activities including trail, bridge and shelter construction on forest land. WCC indicates that 90% of crews do some type of forestry-related work during a project year. However, a significant number of projects are for purposes that would otherwise not be eligible for forestry monies.

8. As noted, the bill would provide additional SEG funding that would increase the level of forestry account funding for enrollee operations to about 58% by the end of the biennium. If there is concern that the level of forestry account funding is too high given the number of projects that are not forestry-related, the Committee could delete the additional SEG funding and, instead, provide \$321,700 GPR in 1999-00 and \$428,800 GPR in 2000-01. Table 2 shows the distribution of enrollee operations funding sources under this option.

TABLE 2

**Source of Funding for General Enrollee Operations
Substitute GPR for SEG**

	<u>1998-99</u>	<u>Percent</u>	<u>1999-00</u>	<u>Percent</u>	<u>2000-01</u>	<u>Percent</u>
GPR	\$1,556,800	31.51%	\$1,828,400	36.06%	\$1,935,500	37.38%
PR	\$597,600	12.10%	\$455,900	8.99%	\$455,900	8.81%
SEG						
Forestry Account	\$2,567,800	51.97%	\$2,567,800	50.64%	\$2,567,800	49.59%
Water Resources Account	141,700	2.87	141,700	2.79	141,700	2.74
Environmental Fund	<u>76,700</u>	<u>1.55</u>	<u>76,700</u>	<u>1.51</u>	<u>76,700</u>	<u>1.48</u>
Total SEG	\$2,786,200	56.39%	\$2,786,200	54.95%	\$2,786,200	53.81%
Total Enrollee Operations	\$4,940,600	100.00%	\$5,070,500	100.00%	\$5,177,600	100.00%

9. The additional SEG funding is provided to increase the number of WCC crews from 50 to 55. This would allow the Corps to conduct more projects across the state and provide more employment and educational opportunities for Wisconsin youth. However, the WCC has averaged about 50 crews over the past four years. As an alternative, the Committee could provide the additional SEG funding for enrollee operations and reduce GPR funding by the same amount. This would allow WCC to continue to fund 50 crews and reduce GPR expenditures. However, the level of forestry account funding for enrollee operations would increase to over 63% by the end of the

biennium. Table 3 shows the distribution of funding sources for general enrollee operations under this alternative.

TABLE 3

**Source of Funding for General Enrollee Operations
50 Crews/Reduced GPR**

	<u>1998-99</u>	<u>Percent</u>	<u>1999-00</u>	<u>Percent</u>	<u>2000-01</u>	<u>Percent</u>
GPR	\$1,556,800	31.51%	\$1,185,000	24.95%	\$1,077,900	22.70%
PR	\$597,600	12.10%	\$455,900	9.60%	\$455,900	9.60%
SEG						
Forestry Account	\$2,567,800	51.97%	\$2,889,500	60.85%	\$2,996,600	63.10%
Water Resources Account	141,700	2.87	141,700	2.98	141,700	2.98
Environmental Fund	76,700	1.55	76,700	1.62	76,700	1.62
Total SEG	\$2,786,200	56.39%	\$3,107,900	65.45%	\$3,215,000	67.70%
Total Enrollee Operations	\$4,940,600	100.00%	\$4,748,800	100.00%	\$4,748,800	100.00%

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$321,700 SEG in 1999-00 and \$428,800 SEG in 2000-01 from the forestry account of the conservation fund for WCC crew costs.

2. Delete the Governor's recommendation and instead provide \$321,700 GPR in 1999-00 and \$428,800 GPR in 2000-01 to fund WCC crew costs. This would provide funding for 55 crews.

<u>Alternative 2</u>	<u>GPR</u>	<u>SEG</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	\$750,500	- \$750,500	\$0

3. Approve the Governor's recommendation to provide increased SEG funding and delete \$321,700 GPR in 1999-00 and \$428,800 GPR in 2000-01. This would provide funding for 50 crews.

<u>Alternative 3</u>	<u>GPR</u>
1999-01 FUNDING (Change to Bill)	- \$750,500

4. Maintain current law.

Alternative 4	SEG
1999-01 FUNDING (Change to Bill)	- \$750,500

Prepared by: Ron Shanovich

MO# Alt 3

BURKE	Y	<input checked="" type="radio"/> N	A
DECKER	Y	<input checked="" type="radio"/> N	A
JAUCH	Y	<input checked="" type="radio"/> N	A
MOORE	Y	<input checked="" type="radio"/> N	A
SHIBILSKI	Y	<input checked="" type="radio"/> N	A
PLACHE	Y	<input checked="" type="radio"/> N	A
COWLES	<input checked="" type="radio"/> Y	N	A
PANZER	Y	<input checked="" type="radio"/> N	A
GARD	<input checked="" type="radio"/> Y	N	A
PORTER	<input checked="" type="radio"/> Y	N	A
KAUFERT	Y	<input checked="" type="radio"/> N	A
ALBERS	<input checked="" type="radio"/> Y	N	A
DUFF	<input checked="" type="radio"/> Y	N	A
WARD	<input checked="" type="radio"/> Y	N	A
HUBER	Y	<input checked="" type="radio"/> N	A
RILEY	Y	<input checked="" type="radio"/> N	A

AYE 6 NO 10 ABS 0

(Gov) Agency: DWD - Wisconsin Conservation Corps
Education Voucher Increase

Recommendations:

Paper No. 1066: Alternative 1 (no action needed)

Comments: Again, Rep. Gard will need 9 votes to mess around with the gov's proposal. I think you should fight him off.

The gov is proposing a modest increase in the WCC education voucher (from \$2,600 to \$2,800). Corps workers who make it 6 months can receive a cash bonus of \$500 or an education voucher that is between \$1,000 and \$2,600. The voucher can be used at any state higher education facility.

prepared by: Barry

*Gard motion
in addition*



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June 1, 1999

Joint Committee on Finance

Paper #1066

Wisconsin Conservation Corps--Education Voucher Increase (DWD -- Employment, Training and Vocational Rehabilitation Programs)

[LFB 1999-01 Budget Summary: Page 675, #12]

CURRENT LAW

Corps enrollees who successfully complete six months to one year of service in the Wisconsin Conservation Corps (WCC) are eligible to receive either a cash bonus of \$500 or an education voucher that is worth at least \$1,000, but not more than \$2,600.

GOVERNOR

Increase the maximum education voucher from \$2,600 to \$2,800.

DISCUSSION POINTS

1. The education voucher may be used for payment of tuition and required program activity fees at any institution of higher education in the state, including vocational, technical or other training schools. The corps member has three years after the date of issuance to use the voucher for payment of tuition and required fees, regardless of the school attended. The voucher is prorated based on the number of hours worked for eligible corps enrollees.

2. Table 1 shows tuition and required program fees charged to students at the Wisconsin Technical College System (WTCS) schools, and to undergraduate resident students at each of the types of University of Wisconsin campuses.

**Annual Tuition and Required Activity Fees* for
One Full-Time Equivalent Student
1998-99**

<u>School</u>	<u>Amount</u>
WTCS	\$1,835
UW Two-Year Centers	2,292
UW Four-Year Campuses	2,835
UW-Madison	3,405
UW-Milwaukee	3,479

* The total required activity fees vary among the schools based on the number and type of credits. The numbers in the table reflect estimates of average activity fees paid for each type of school.

3. The table shows that for 1998-99, the \$2,600 voucher fully funds tuition and required fees at the WTCS schools and the UW two-year campuses but does not fully fund these costs at the UW four-year campuses, including Madison and Milwaukee.

4. Since tuition and required fees will increase in each year of the 1999-01 biennium, the Committee may wish to increase the education voucher to \$2,800 to reflect the costs of estimated tuition and required activity fees at eligible institutions.

5. During the 1995-97 biennium, 34% of corps enrollees elected to receive and were eligible for tuition vouchers. Data for fiscal year 1998-99 indicates that almost 40% elected to receive and were eligible for vouchers.

6. The state and federal government currently offer grants and low-interest loans to provide a means by which low-income persons can attend institutions of higher education. Most former WCC enrollees would qualify for additional types of financial assistance to support the costs of higher education.

7. AB 133 does not provide additional funding to cover the costs of increasing the education voucher to \$2,800. Annual base funding for vouchers is \$138,600 GPR and \$123,100 SEG and it is estimated that this amount would be sufficient to cover the 1999-01 cost of increasing the voucher.

8. The appropriations which fund education vouchers are biennial; any unencumbered balances in the appropriations at the end of the biennium lapse to the general. It is estimated that increasing the education voucher would increase annual expenditures by \$11,800 GPR in 1999-00 and \$8,600 GPR in 2000-01. As result, the lapse of unencumbered education voucher funding at the end of the 1999-01 biennium would be reduced by \$20,400.

9. As an alternative, the Committee could elect to deny the increase and delete \$11,800 GPR in 1999-00 and \$8,600 GPR in 2000-01 annually from corps enrollee funding.

ALTERNATIVES

1. Approve the Governor's recommendation to increase the maximum education voucher from \$2,600 to \$2,800. Reduce the estimated 2000-01 lapse to the general fund by \$20,400.

Alternative 1	GPR
1999-01 REVENUE (Change to Bill)	- \$20,400

2. Delete the Governor's recommendation and delete \$11,800 GPR in 1999-00 and \$8,600 GPR in 2000-01 in annual funding for WCC education vouchers.

Alternative 2	GPR
1999-01 FUNDING (Change to Bill)	- \$20,400

3. Maintain current law.

Prepared by: Ron Shanovich

MO# _____			
BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE _____ NO _____ ABS _____

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Technical College Education Program for W-2 Participants

Motion:

Move to provide that, to the extent permitted by federal law, a participant in a grant-paying community service job (CSJ) or transitional placement employment position under the Wisconsin Works (W-2) program may elect to participate in a self-initiated technical college education program as part of the work and educational activities required under the employment position.

Specify that: (a) the W-2 agency in consultation with the community steering committee and the technical college district board would have to determine that the technical college education program is likely to lead to employment; (b) the participant would have to maintain full-time status in the technical college education program, as determined by the technical college, and regularly attend all classes; and (c) the participant would have to maintain a grade point average of at least a 2.0, or the equivalent as determined by the technical college.

In addition, specify that the participant would have to be employed or engaged in work under the community service job or transitional placement for at least 15 hours per week. Provide that no W-2 agency could require a participant to be employed or engage in work under a CSJ or transitional placement for more than 15 hours per week. Specify that if the participant fails to meet the 15-hour work requirement without good cause, the participant could be sanctioned for every hour missed. Permit an individual to participate in a technical college education program for a maximum of two years. Require the W-2 agency to work with the community steering committee and the technical college district board to monitor the progress in the technical college education program and the effectiveness of the program in leading to employment.

Note:

Under the W-2 program, a participant in a community service job may be required to participate in work activities for up to 30 hours per week and in educational and training activities for up to 10 hours per week. A participant in a transitional placement employment position may be required to engage in work activities (or certain treatment and counseling activities) for up to 28 hours per week, and in educational and training activities for up to 12 hours per week. Under this motion, a CSJ or transitional placement participant would be allowed to participate in a technical

college educational program as part of these required activities. An individual participating in a technical college educational program would still have to meet a 15-hour work requirement, and could be sanctioned for failing to meet this requirement. Individuals would also have to maintain a grade point average of at least 2.0 and regularly attend all classes. Failure to do so would result in the individual not being allowed to participate in a technical college educational program as described above.

Allowing a participant to engage in a technical college educational program may result in the recipient moving into and remaining in an unsubsidized employment position, rather than returning to the W-2 program. This impact would result in cost savings. However, if some individuals remain in a CSJ position longer than they otherwise would in order to complete their education, added costs would result. No additional funding would be provided under the motion.

MO#

BURKE	<input checked="" type="radio"/>	N	A
DECKER	<input checked="" type="radio"/>	N	A
JAUCH	<input checked="" type="radio"/>	N	A
MOORE	<input checked="" type="radio"/>	N	A
SHIBILSKI	<input checked="" type="radio"/>	N	A
PLACHE	<input checked="" type="radio"/>	N	A
COWLES	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
PANZER	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
GARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
PORTER	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
KAUFERT	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
ALBERS	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
DUFF	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
WARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
HUBER	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
RILEY	<input checked="" type="radio"/>	N	A

AYE 8 NO 8 ABS _____

WORKFORCE DEVELOPMENT -- EMPLOYMENT, TRAINING
AND VOCATIONAL REHABILITATION PROGRAMS

Conforming State Law with the Federal Workforce Investment Act

Motion:

Move to conform state law with the provisions of the federal Workforce Investment Act. Eliminate the Governor's Council on Workforce Excellence and related statutory references and replace it with the Council on Workforce Investment. Provide that during the period between the effective date of this provision (the day after publication of the budget bill) and ending on June 30, 2000, all the functions of the Council on Workforce Excellence under the federal Job Training and Partnership Act would continue as functions of the Council of Workforce investment and all members of the Governor's Council of Workforce excellence serving on the day before the effective date would continue as members of the Council on Workforce Investment established under the federal Workforce Investment Act unless the Governor appointed members to replace them.

Provide that during the period beginning on the day after publication and ending on June 30, 2000 all functions of a private industry council that is established under the federal Job Training and Partnership Act for a service delivery area designated under federal law would continue as the functions of the local workforce development board established under the federal Workforce Investment Act for the identical local area. Provide that all members, assets and liabilities, tangible personal property, pending matters and contracts of a private industry council that is established under the federal Job Training and Partnership Act for a service delivery area designated under federal law would be transferred to the local workforce development board that is established under the federal Workforce Investment Act for the identical local area.

Replace statutory references to private industry councils with references to local workforce development boards. Replace statutory references to the federal Job Training and Partnership Act with references to the federal Workforce Investment Act. Eliminate the requirement that DWD coordinate services authorized under the federal Job Training and Partnership Act and provided by the Department of Public Instruction and Wisconsin Technical College System.

Specify that changes in statutory provisions related to adult programs would take effect on July 1, 2000, or the day after publication of the bill, whichever is later. Provide that modifications relating to youth programs would take effect on April 1, 2000, or the day after publication, whichever is later.

Note:

The federal Workforce Investment Act of 1998 (WIA), repeals the federal Job Training and Partnership Act (JTPA) effective on July 1, 2000. Under the WIA, federal funds are allocated to

the state and, in turn, to local areas designated by the Governor to provide employment and training activities for adults, low-income youth and dislocated workers who remain attached to the workforce. To receive funding under the WIA, the Governor must establish a state workforce investment board to assist the Governor in administering the WIA in the state. The WIA also requires local workforce investment boards to be established in each local area to set policy for that portion of the statewide workforce investment system that is within the local area. This motion would conform current state law provisions with provisions of the federal Workforce Investment Act.

MO#				
	BURKE	Y	N	A
	DECKER	Y	N	A
	JAUCH	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
	PLACHE	Y	N	A
	COWLES	Y	N	A
	PANZER	Y	N	A
	GARD	Y	N	A
	PORTER	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUBER	Y	N	A
	RILEY	Y	N	A

AYE 16 NO 0 ABS

WORKFORCE DEVELOPMENT

Youth Options Program

Motion:

Move to modify the youth options program as follows:

- ~~a. Delete the current law provision that allows a pupil to attend a private, nonprofit institution of higher education under the program.~~
- b. Provide that at the time a pupil attains senior status, as determined by the school board of the district in which the pupil's high school is located, he or she would be eligible to participate in the youth options program for no more than two consecutive semesters.
- c. Delete the provision that specifies that if a pupil is enrolled at a technical college under the program during any semester for seven credits or more that are eligible for high school credit, the school district is required to pay to the technical college an amount equal to 50% of the school district's average per pupil cost for regular instruction and instructional support services in the previous school year multiplied by the number of credits taken for high school credit divided by 15. Specify that a school district would be required to pay an amount equal to tuition, course fees and books for courses taken for high school credit, regardless of the number of credits eligible for high school credit for which the pupil is enrolled.
- d. Specify that if a school board is required to pay to a postsecondary institution, on behalf of a pupil participating in the program, an amount equal to the cost of tuition, course fees, books and, if applicable, other necessary materials directly related to the course, the tuition amount charged by the postsecondary institution could not exceed the tuition rate for resident undergraduates.

Note:

This motion would make the following changes to the youth options program:

Eligible Postsecondary Institutions. Under current law, a pupil who meets certain requirements may enroll at a UW System institution, a Wisconsin Technical College System (WTCS) institution, a participating tribally controlled college or a participating private nonprofit

college for the purpose of taking one or more courses. This motion would prohibit a pupil from attending a private college under the youth options program.

Pupil Eligibility. Under current law, any public school pupil enrolled in the 11th or 12th grade may attend a UW institution or a participating private college or tribally controlled college under the program. A pupil may attend a WTCS institution provided that he or she has completed the 10th grade and meets other specified criteria. This motion would specify that, once a pupil attains senior status, as determined by the school board, he or she would be eligible to participate in the youth options program for no more than two consecutive semesters. This motion would not affect a pupil's eligibility prior to his or her attainment of senior status.

Payment by School Board. Under current law, if a pupil attends a UW System institution under the program and the pupil's school district is required to pay for the course(s), the amount of the payment is the actual cost of tuition, fees books and other necessary materials directly related to the course. If a pupil attends a WTCS institution under the program, for each semester that the pupil is enrolled at the technical college, the school board is required to pay an amount determined as follows:

1. If the pupil is enrolled for less than seven credits that are eligible for high school credit, for those courses taken for high school credit, an amount equal to the cost of tuition, course fees and books.

2. If the pupil is enrolled for seven credits or more that are eligible for high school credit, for those courses taken for high school credit, an amount equal to 50% of the school district's average per pupil cost for regular instruction and instructional support services in the previous school year multiplied by the quotient of the number of credits taken for high school credit divided by 15.

This motion would delete the provision that requires a school board to pay an amount based on school district average per pupil cost. Instead, the motion would specify that, for those courses taken for high school credit, school board would be required to pay an amount equal to the cost of tuition, course fees and books, regardless of the number of credits taken that are eligible for high school credit. In addition, this motion would specify that if a school board is required to pay tuition on behalf of a pupil enrolled under the program, the tuition amount could not exceed the amount charged to resident undergraduates by the postsecondary institution.

MO#	BURKE	DECKER	JAUCH	MOORE	SHIBILSKI	PLACHE	COWLES	PANZER	GARD	PORTER	KAUFERT	ALBERS	DUFF	WARD	HUBER	RILEY	AYE	NO	ABS
																	12	4	

WORKFORCE DEVELOPMENT

Employment, Training and Vocational Rehabilitation Programs

LFB Summary Items for Which No Issue Paper Has Been Prepared

<u>Item #</u>	<u>Title</u>
4	Unemployment Insurance Division -- Implementation of Contracts for Data Sharing
5	Worker's Compensation Division -- Case File Conversion
6	Worker's Compensation Division -- Administrative Law Judge LTE Funding
7	Worker's Compensation Division -- Turnover Exemption
8	Worker's Compensation Division -- Uninsured Employers Program Automated Levy System
11	Wisconsin Conservation Corps -- Administrative Funding
13	Position Reduction

Workforce Development

Child Support

(LFB Budget Summary Document: Page 710)

LFB Summary Items for Which Issue Papers Have Been Prepared

<u>Item #</u>	<u>Title</u>
1 thru 5	KIDS Computer System, Centralized Receipt and Disbursement Fees, Bureau of Child Support Positions and Database Administration Positions (Paper #1070)
6	Child Support Research and Statistics Position (Paper #1071)
7	State Child Support Payments to Counties (Paper #1072)
8	State is a Real Party in Interest in Child Support Cases if the Parent Receives Food Stamps (Paper #1073)
9	Certification of Delinquent Payments (Paper #1074)

Gov Agency: DWD- KIDS Computer system, Centralized Receipt & Disbursement Fees, Bureau of Child Support Positions & Database Administration Positions

Recommendations:

C-1 and motion.

Paper No.: 1070 **Alternatives:** A1, B1, C-Burke Motion, D-Burke Motion, E2, F2, G2

Comments:

C - Burke motion will allow County Child Support agencies to do a wage assignment for individuals who have CR&D arrearages prior to state take over on 1/4/99. Also, if an individual's child support obligation ends and they still have CR&D arrearages, the County would be able to collect via wage assignment. Should help Milwaukee collect some of the \$13 million that's owed to them. If this fails, go for Alternative C1.

D - Burke Motion. This motion will prohibit the state from collecting the arrearages in the CR&D fees accumulated by the counties prior to the state take over of this function on 1/4/99. If this fails, go for D2. If D1 is adopted, Milwaukee Co. will lose all hope of getting any of the \$13 million owed to them.

The one big problem here is that apparently the counties had the option to remove these fees from the KIDS system prior to the state take over on 1/4/99. For whatever reason, Milwaukee County did not do this. If they had, the state would no longer be trying to collect them.

E2 - See paragraph 22. Second choice would be alternative E3, see paragraph 23 for this one.

F2 - See paragraph 30. Second choice is F3

G2 - See paragraphs 31 & 32. G1 would be acceptable.

Burke Motion: 2 motions here under C and D. See explanations above.

Prepared by Cindy



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

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KIDS Computer System, Centralized Receipt and Disbursement Fees, Bureau of Child Support Positions and Database Administration Positions (DWD -- Child Support)

[LFB 1999-01 Budget Summary: Page 710, #1 thru #5]

CURRENT LAW

Federal law requires every state to have a certified statewide, automated child support system in place by October 1, 1997. The Kids Information Data System (KIDS) was developed to replace the previous automated child support system, which did not meet the federal requirements. Since January, 1993, the state has contracted with IBM Global to develop and operate the KIDS system in Wisconsin.

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) imposed a number of new requirements on states relating to child support enforcement. Some of these requirements have necessitated changes to the KIDS system, particularly the creation of the centralized receipt and disbursement (CR&D) system and the new hire reporting system. System modifications required by the new federal provisions must be in place by October 1, 2000.

Funding Sources for KIDS

Federal and GPR Funding. State operation of the KIDS system is generally funded at a 66/34 federal/state match. The state match is paid for with GPR funding. Federal funding for the development and conversion of automated child support systems was available at an enhanced 90/10 federal/state match until October 1, 1997. System modifications required under PRWORA will be eligible for an enhanced 80% federal rate. Base funding for KIDS is \$35,093,300 (\$10,724,800 GPR and \$24,368,500 FED).

Excess Federal Funding. Because of a retroactive PRWORA provision, DWD received \$1.25 million from the federal government in 1998. These funds were a reimbursement for state development expenses that were initially matched with 66% federal funds but have now been determined to be eligible for the enhanced 90% federal matching rate. Since these funds are considered a reimbursement of state revenues, they can be matched with 66% federal revenues if used for child support enforcement activities, including enhancements to the KIDS system. Based on the recommendation of the Legislative Audit Bureau, this funding is being used to make a number of improvements to KIDS that were requested by county child support enforcement agencies.

CR&D Fees. Beginning January 4, 1999, the state operates an automated system for processing the receipt and disbursement of child support, maintenance, health care expenses, birth expenses and other support-related expenses. The system is funded from an annual \$25 CR&D fee charged by DWD to support obligors. Amounts collected from the CR&D fee are accounted for as program revenue. Expenses of the CR&D function that are not covered by the \$25 fee or interest earnings in the support collections trust fund (described below) are funded with GPR and federal matching funds and are included in the KIDS budget. Prior to January 4, 1999, the county clerks of court or a support collection designee collected and disbursed support payments and collected the \$25 annual fee for this service.

Support Collections Trust Fund Interest Earnings. Monies received from income withholding and other collections of child or family support, maintenance or spousal support, health care expenses or birth expenses are deposited to the segregated state support collections trust fund. Interest earned on the fund during the delay between the time a collection is received and the time the payment is issued to the family ("float") is used to fund the CR&D function.

GOVERNOR

KIDS Budget

The following table outlines the budgeted revenues and expenditures for the KIDS system in the 1999-01 biennium, as recommended by the Governor. The portion of the centralized receipt and disbursement system that is funded with the \$25 fee and interest earnings is budgeted separately and is not included in the table.

TABLE 1

1999-01 KIDS Budget

	1999-00			2000-01		
	GPR	FED	Total	GPR	FED	Total
KIDS Budgeted Expenditures						
System Maintenance and						
Change Orders	\$4,406,500	\$10,348,400	\$14,754,900	\$3,851,600	\$9,271,300	\$13,122,900
InfoTech Charges	3,726,900	6,686,500	10,413,400	3,751,900	6,718,500	10,470,400
State Staff and BITS Costs	1,829,800	3,958,900	5,788,700	1,784,400	3,884,900	5,669,300
Supplies and Services	1,092,200	2,120,100	3,212,300	1,061,600	2,060,600	3,122,200
Total KIDS Budget	\$11,055,400	\$23,113,900	\$34,169,300	\$10,449,500	\$21,935,300	\$32,384,800
Revenues Available for KIDS						
GPR and Federal Funding	10,564,700	24,057,600	34,622,300	10,561,100	24,050,700	34,611,800
Excess Federal Funds	322,200	0	322,200	322,200	0	322,200
Available Revenues	\$10,886,900	\$24,057,600	\$34,944,500	\$10,883,300	\$24,050,700	\$34,934,000
KIDS Surplus /(Deficit)	-\$168,500	\$943,700		\$433,800	\$2,115,400	

As the table indicates, expenditures for the system would total \$34,169,300 (\$11,055,400 GPR and \$23,113,900 FED) in 1999-00 and \$32,384,800 (\$10,449,500 GPR and \$21,935,300 FED) in 2000-01. Although not shown in the table, these amounts are lower than the budget for the current fiscal year (\$37,894,400 all funds) by approximately \$3 million in the first year and \$5 million in the second year. The largest expenditure is for system maintenance and change orders (\$14,754,900 in 1999-00 and \$13,122,900 in 2000-01), which primarily reflects fees paid to IBM Global and other contractors. The InfoTech budget (\$10,413,400 in 1999-00 and \$10,470,400 in 2000-01) includes the fee paid to DOA for mainframe services and connection to the consolidated data network. The remaining budget is for state staff and supplies and services. Attachment 1 provides additional detail regarding the recommended expenditures.

State revenues provided under the bill total \$10,886,900 in 1999-00 and \$10,883,300 in 2000-01, including \$322,200 in excess federal funds in each year. The remaining costs would be covered by federal matching funds.

If the budgeted state expenditures for KIDS are compared to the available funding, the table shows a GPR deficit of \$168,500 in 1999-00 and a \$433,800 GPR surplus in 2000-01. The federal revenues included in the bill's appropriation schedule exceed the amount that would actually be available for the system by \$943,700 in the first year and \$2,115,400 in the second year.

Other Provisions Related to KIDS

The Governor's biennial budget recommendation includes the following provisions that would impact the KIDS budget.

Collection of the State CR&D Fee. The bill would adopt the following modifications to enhance collection of the \$25 CR&D fee, effective for fees that are ordered on January 1, 2000. These provisions were estimated by the administration to increase PR funding for the centralized receipt and disbursement system by \$2,200,000 in each year.

Income Withholding and Assignment. Require the court or family court commissioner, in directing the manner of payment of the fee, to order that the fee be withheld from the income of the obligor and sent to DWD (or its designee). In addition, the bill would specify that the annual fee constitutes an assignment of all commissions, earnings, salaries, wages, pension benefits, workers compensation benefits, unemployment insurance benefits, lottery prizes that are payable in installments and other money due or to be due in the future to DWD.

Assignment of Arrearages. Specify that if an individual's obligation to pay maintenance, child support, family support or the annual CR&D fee terminates, the assignment of income to pay the obligation would continue in effect if the obligor has an arrearage in one or more of these payments until the delinquent amount is paid in full.

Initiation of Income Assignments by County Child Support Agencies. Allow a county child support agency to cause an assignment of income for maintenance, support or the annual CR&D fee to go into effect if the support order does not require immediately effective withholding and the obligor fails to make a payment within ten days of its due date. Under current law, only a court or family court commissioner may make an assignment for unpaid support.

Collection of CR&D Fees Owed to County Clerks of Court. The bill would allow DWD (or its designee) to collect any unpaid county CR&D fees that were shown on DWD's automated payment and collection system on December 31, 1998. The unpaid county fees would be collected through income withholding or, if it were determined that income withholding was inapplicable, ineffective or insufficient, DWD would be allowed to move for a remedial contempt of court sanction. Unpaid county CR&D fees would also constitute an assignment of income to DWD. The administration estimated that this provision would generate \$300,000 in 1999-00.

Support Collections Trust Fund Interest Earnings. The bill would increase SEG expenditure authority for the CR&D system by \$281,600 in 1999-00 and \$294,500 in 2000-01 to reflect estimated increases in interest earnings generated from the support collections trust fund. Total interest earnings are estimated at \$550,600 in 1999-00 and \$563,500 in 2000-01.

Bureau of Child Support Positions. The bill would provide 6.0 FTE (2.04 GPR and 3.96 FED) positions in 1999-00 and 12.0 FTE (4.08 GPR and 7.92 FED) positions in 2000-01 for

the Bureau of Child Support (BCS). Funding would be reduced by \$471,000 (\$160,100 GPR and \$310,900 FED) in 1999-00 and \$481,500 (\$163,700 GPR and \$317,800 FED) in 2000-01. The new positions would replace six contract staff and six project positions who work on the KIDS system. The funding decreases reflect savings that would be realized from using state employees instead of contract staff.

Database Administration Positions. The bill would increase PR-S expenditure authority in the Bureau of Information Technology Services (BITS) by \$107,200 in 1999-00 and \$142,700 in 2000-01 and provide 2.0 additional permanent positions in each year. The new positions would assume responsibility of database administration for the KIDS system.

DISCUSSION POINTS

1. The following sections address a number of issues relating to the KIDS system and centralized receipt and disbursement: (a) a funding adjustment for the KIDS budget to ensure that the appropriation amounts accurately reflect the estimated revenues and expenses for the system; (b) reestimates of the amount of funding available from the CR&D fee and interest earnings in the support collections trust fund; (c) the Governor's proposal regarding income assignment and withholding for the CR&D fee and authorization for DWD to collect arrearages of county CR&D fees; and (d) the positions recommended by the Governor for DWD's Bureau of Child Support and Bureau of Information Technology Services.

Kids Funding Adjustments

2. As shown in Table 1, the KIDS budget recommended in the bill would have a GPR deficit of \$168,500 in 1999-00 and a GPR surplus of \$433,800 in 2000-01. In order to correct these discrepancies, the Committee could increase GPR funding by \$168,300 in the first year and reduce funding by \$433,800 in the second year. This would result in net savings of \$265,300 over the biennium. The federal appropriations for KIDS should also be decreased by \$943,700 in 1999-00 and \$2,115,400 in 2000-01 to reflect the amount of federal funds that would actually be available for the system.

Centralized Receipt and Disbursement Budget Estimates

3. As noted, the centralized receipt and disbursement system is funded with four revenue sources: (a) the \$25 annual CR&D fee; (b) interest earnings from the support collections trust fund; (c) state GPR; and (d) federal child support matching funds. The KIDS budget outlined in Attachment 1 includes only the GPR and federal share of the CR&D system (\$1,170,500 GPR and \$2,272,200 FED in 1999-00 and \$607,300 GPR and \$1,179,000 FED in 2000-01). These amounts essentially fund the costs of the system that are not covered by the CR&D fee and interest earnings. If additional revenues are collected from these two sources, state and federal funding could be reduced.

4. Table 2 shows DWD's most recent budget estimates for the centralized receipt and disbursement system. The revenue amounts shown for the CR&D fee reflect the statutory modifications included in the bill.

TABLE 2

Centralized Receipt and Disbursement Budget

	<u>1999-00</u>	<u>2000-01</u>
Expenditures	\$9,095,200	\$8,488,800
Revenue Sources		
\$25 CR&D Fee	\$4,800,000	\$5,850,000
Interest Earnings	852,500	852,500
State GPR	1,170,500	607,300
Federal Matching Funds	<u>2,272,200</u>	<u>1,179,000</u>
Total	\$9,095,200	\$8,488,800

5. As Table 2 indicates, total expenditures for the system are budgeted at \$9,095,200 in 1999-00 and \$8,488,800 in 2000-01. These costs would primarily be for the private vendor that implements the system and are consistent with previous estimates. However, it appears that revenues from the CR&D fee will be higher than the estimates used by the administration.

6. Based on a review of collections data and information regarding the number of cases in the KIDS system, it is now estimated that collections of the fee will be \$7,800,000 in 1999-00 and \$6,900,000 in 2000-01. These amounts are higher than the administration's estimates by \$3,000,000 in the first year and \$1,050,000 in the second year. The primary reasons for the higher numbers are a revised estimate of current law revenues, based on actual collections through the end of 1998, and a higher estimate of the amount of uncollected county fees as of the end of 1998. To account for these revised estimates, the Committee could reduce the share of state and federal funding budgeted for the system by \$1,020,000 GPR in 1999-00 and \$1,980,000 FED in 2000-01 and \$357,000 GPR and \$693,000 FED in 2000-01.

7. The revised estimates outlined above assume that the modifications regarding collection of the fee recommended by the Governor would be adopted. If these provisions were deleted from the bill, estimated fee collections would be decreased by \$4,050,000 in the first year and \$3,150,000 in the second year. More detail on these provisions is presented in the following sections.

8. Even with the revised figures, it is possible that actual revenues from the fee will exceed the estimated amounts. If one-time collections from county arrearages are excluded

(\$1,350,000 in the first year and \$450,000 in the second year), the estimates outlined above assume that ongoing collections will be about \$6.5 million per year. According to DWD, there are approximately 355,000 child support orders in place in Wisconsin. If the \$25 fee were collected on each of these orders, annual revenues would be \$8.9 million. Therefore, the estimated revenues of \$6.5 million represent a collection rate of about 73%. This is significantly higher than previous estimates prepared by the Department, but additional collections could still be attained. In addition, there was approximately \$35 million in unpaid county fees at the end of 1998 that were owed by individuals who have not been making recent support payments. In many cases, the whereabouts of these persons are unknown, and it is unlikely that a collection will be made. However, additional revenues are also possible from this source.

9. The interest earnings shown in Table 2 are revised estimates from the amounts used in the budget bill. The new figures exceed the amounts included in the bill by \$301,900 in the first year and \$289,000 in the second year. The appropriation schedule should be adjusted to reflect these revisions.

Income Withholding and Assignment for the CR&D Fee

10. Current law specifies that the CR&D fee must be paid at the time of the first support payment to DWD in each year for which payments are ordered. However, there are no provisions related to income withholding or the assignment of income for the fee. The estimates outlined above assume that the Department would be able to collect nearly all fees from obligors who have income withholding orders in place. In these cases, the obligor's employer would be notified once each year to increase the withholding by \$25 in order to cover the fee. The income assignment provisions would also enhance DWD's ability to collect fees that are in arrears. Finally, enforcement efforts would be improved by specifying that the assignment of income would continue in effect if an obligor has an arrearage (including the CR&D fee), even if the obligation to pay support has ended because the child turned 18 or for some other reason.

11. If the Committee chose to delete these provisions from the bill, estimated funding from the fee would be reduced by \$2,700,000 in each year, based on the revised estimates. In order to support the budgeted expenditures for the CR&D system, an increase of \$918,000 GPR and \$1,782,000 FED in each year would be necessary.

12. The bill also includes \$11,600 GPR and \$22,400 FED annually for printing and mailing notices to employers regarding the wage withholding requirement. These funds could be deleted if the new provisions are not adopted.

Uncollected County CR&D Fees

13. The county clerks of court collected and disbursed support payments and collected the \$25 annual CR&D fee from each support obligor for this service prior to January 4, 1999. The Department began collecting the fee when it took over collection and disbursement responsibilities on that date. The statutory provisions regarding the centralized receipt and disbursement function

were adopted in the 1997-99 biennial budget, and did not specifically address whether arrearages of the fee would be owed to the state or the counties after the transition was completed. The Governor's recommendation would specify that DWD could collect any fees that were still in arrears and that were shown as a debt on the state's system on December 31, 1998.

14. According to the administration, counties that wanted to pursue the collection of CR&D arrearages that had accumulated before the state took over the CR&D function had the option of removing those debts from the state's system. As a result, under the bill, the state would only be allowed to collect fee arrearages that the counties chose not to pursue.

15. As noted, the administration estimated that the bill provision would enable DWD to collect an additional \$300,000 in CR&D fees on a one-time basis in 1999-00. The revised estimates assume that collections of these arrearages would total \$1,350,000 in the first year and \$450,000 in the second year. These figures assume that all of the arrearages of individuals who are currently making support payments (\$1.8 million) will be collected during the next biennium. If this provision is not adopted, funding for the CR&D system would need to be increased by \$459,000 GPR and \$891,000 FED in 1999-00 and \$153,000 GPR and \$297,000 FED in 2000-01.

Bureau of Child Support Positions

16. The Bureau of Child Support currently has 50 permanent positions and two project positions. In addition, there were 30 supplemental staff, made up of six project positions, 14 contract staff and 10 LTEs, working for the Bureau on KIDS-related projects at the beginning of the 1998-99 fiscal year. The 30 supplemental positions were reduced to 20 on January 1, 1999, and will be further reduced to 17 on July 1, 1999. The 1998-99 budget for the supplemental positions totaled \$2,263,500, funded at the 66/34 federal/GPR split.

17. The KIDS budget for 1999-00 would further reduce the supplemental staff from 17 to 14 positions in 1999-00 and to 12 positions in 2000-01. In the first year, the 14 positions would include the six new positions recommended by the Governor, six current project positions and two contract staff. In 2000-01, the two contract staff would be eliminated and the six project positions would be converted to permanent state employees. Therefore, the supplemental staff would consist of 12 permanent positions. No contract staff related to KIDS would remain in the Bureau beginning in 2000-01.

18. The following sections describe the 12 recommended positions (one position from each of the six categories would become permanent in the first fiscal year):

a. Two positions would monitor the CR&D vendor (Lockheed Martin IMS) and report on performance. One position would do the performance monitoring and one would provide administrative support. All components of the CR&D function would be monitored on a daily or monthly basis, including receipting and disbursing of payments, customer service, exception processing, outreach, billing, updating of data, employer information and reconciliation of accounts.

b. Three technical writers would produce and maintain the following: the KIDS user

manual, policy and procedures manuals, KIDS events and worklist manual, forms and documents manual, KIDS reference sheets, KIDS fact sheets, on-line screen help for KIDS, the child support reports manual and daily communications with KIDS users.

c. Two positions would work on planning changes that result from PRWORA and other federal legislation, including drafting statutory language and conducting policy analysis.

d. One financial specialist position would be used to expand DWD's capability to respond to inquiries from custodial and noncustodial parents about CR&D.

e. One position would manage all interagency agreements and agreements with financial institutions related to PRWORA, such as social security number reporting requirements and liens on financial accounts.

f. Three positions would work on the KIDS help desk, including one child support specialist and two program assistants. These individuals would respond to customer inquiries, correct data errors and conduct user testing on system changes.

19. The Department indicates that the development of KIDS, including CR&D and the new hire system, has resulted in an increased workload for the Bureau of Child Support (BCS). To date, most of the increased activity has been assumed by contract and project staff. The recommended permanent position authority would be used for ongoing system operations and maintenance.

20. As noted, the use of state staff instead of contract positions is estimated to result in savings of \$160,100 GPR and \$310,900 FED in 1999-00 and \$163,700 GPR in 1999-00 and \$317,800 FED in 2000-01.

21. Based on a review of vacant positions in the Division of Economic Support as of March 13, 1999, there are a total of 46 positions that have been vacant for seven months or longer and of these, 10 have been vacant for 13 months or more. In addition, five of these vacant positions are from within the Bureau of Child Support (the Deputy Bureau Director, one program assistant, one financial supervisor and two financial specialists). The Division is also in the process of reorganizing, which is expected to be completed by the end of the year.

22. Since there are a number of vacant positions within the Division and a reorganization is being developed, the Committee may wish to delete the positions recommended by the Governor and authorize the Department to reallocate some of its vacant positions for these duties. This option would result in savings of \$62,000 GPR and \$119,900 FED in 1999-00 and \$170,900 GPR and \$332,900 FED in 2000-01.

23. As a compromise alternative, half of the positions recommended by the Governor (3.0 FTE in the first year and 6.0 FTE in the second year) could be removed from the bill. Under this option, funding could be reduced by \$31,000 GPR and \$60,000 FED in 1999-00 and \$85,400 GPR and \$166,500 FED in 2000-01.

24. In reviewing these alternatives, the Committee should note that the bill would reduce position authority in other divisions within DWD to partially offset the increased state staff in BCS. Specifically, 2.10 positions would be eliminated in the Division of Unemployment Insurance and 8.0 positions would be eliminated from the Division of Workforce Excellence. In addition to the 12.0 BCS positions, the bill would create six other positions in the Division of Economic Support. In total, DWD's position authority would increase by 4.75 FTE.

Database Administration Positions

25. There are currently 266.8 FTEs authorized for the Bureau of Information Technology Services (BITS) in DWD's Division of Administrative Services. The Bureau is responsible for providing information technology services and support to the entire Department.

26. In a December, 1997, report on the KIDS system, the Legislative Audit Bureau (LAB) recommended that DWD establish a deadline by which state staff will assume complete responsibility for the maintenance of KIDS. The LAB suggested that savings could be realized if maintenance of the system was performed by state staff rather than a private vendor.

27. The Department indicated that it is committed to the goal of the state assuming full control of KIDS, and has initiated plans for state take-over of all duties related to database administration and has integrated activities related to production control (scheduling, monitoring and repairing system jobs). A state take-over of the other major area of KIDS activity, system development, is not anticipated in the near future due to the high level of workload generated by the federal PRWORA requirements and county requests, staffing constraints and difficulties in recruiting and retaining qualified programmers and analysts.

28. At this time, BITS has 1.5 FTE allocated to KIDS database administration. The Department indicated in its September, 1998, report to the Joint Committee on Audit that no more than two additional FTE positions would be needed to allow DWD to assume responsibility for all database administration. Database administration includes the analysis of new and existing data requirements, including a determination of the most efficient model for storing data. According to DWD, this activity has a significant impact on the efficiency and cost of operating the system. The additional positions proposed by the Governor are based on the Audit Bureau's recommendation that DWD assume responsibility for KIDS database administration.

29. The bill would provide additional PR-S expenditure authority to BITS for these new positions. However, the ultimate funding source for these positions is GPR (\$36,400 in 1999-00 and \$48,500 in 2000-01) and 66% federal child support matching funds (\$70,800 in 1999-00 and \$94,200 in 2000-01) that is presently being expended on contract staff. If this recommendation is not approved, the Department indicates that contract staff would continue to conduct a portion of database administration. Under the bill, the savings associated with replacing contract staff with the two state positions have been reallocated within the KIDS budget.

30. As noted above, there are a significant number of long-term vacancies in the

Division of Economic Support. Therefore, instead of increasing the number of permanent positions in BITS, one or both of the recommended positions could be transferred from the Division of Economic Support. If only one additional position were approved, funding could be reduced by \$18,200 GPR and \$35,400 FED in 1999-00 and \$24,300 GPR and \$47,100 FED in 2000-01. If both positions were deleted from the bill, funding could be reduced by \$36,400 GPR and \$70,800 FED in 1999-00 and \$48,500 GPR and \$94,200 FED in 2000-01.

Alternative to Place Funding in the Finance Committee's Appropriation

31. As described above, the revenue estimates for the \$25 CR&D fee are uncertain and actual collections could be greater than the projected amounts, which would reduce the amount of GPR needed for the system. In addition, actual KIDS expenditures during the past several fiscal years have typically been several million dollars lower than the budgeted amounts. Therefore, the Committee could place a portion of the GPR funding for the KIDS system into the Committee's program supplements appropriation to be released under s. 13.10 if needed.

32. One option would be to place \$1 million GPR annually in the Committee's appropriation, which would be roughly equivalent to the state's 34% share of \$3 million. This would address the underspending that has occurred in recent years. However, a higher amount could be set aside to account for the potential increased revenues from the CR&D fee.

ALTERNATIVES

A. KIDS Funding Adjustments

1. Increase GPR funding by \$168,500 in 1999-00 and reduce GPR by \$433,800 in 2000-01 to fully fund the KIDS budget. In addition, reduce federal funding by \$943,700 in 1999-00 and \$2,115,400 in 2000-01 to reflect the amount of federal funds that would actually be available for the system.

<u>Alternative A1</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$265,300	- \$3,059,100	- \$3,324,400

B. Reestimate CR&D Fee and Interest Earnings

1. Increase PR funding for the centralized receipt and disbursement system by \$3,000,000 in 1999-00 and \$2,050,000 in 2000-01 to reflect a reestimate of the amount of revenue generated by the CR&D fee under the provisions of the bill. Reduce CR&D funding included in the KIDS budget by \$1,020,000 GPR and \$1,980,000 FED in 1999-00 and \$357,000 GPR and \$693,000 FED in 2000-01 to account for the increased program revenue. Increase SEG funding for the CR&D system by \$301,900 in 1999-00 and \$289,000 in 2000-01 to reflect a

revised estimate of interest earnings in the support collections trust fund. [The additional PR revenue in the second year includes \$1 million that was inadvertently omitted from the bill.]

<u>Alternative B1</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>SEG</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	-\$1,377,000	-\$2,673,000	\$5,050,000	\$590,900	-\$1,590,900

C. CR&D Fee: Income Assignment and Withholding

1. Adopt the Governor's recommendation regarding income assignment and withholding for the CR&D fee.
2. Delete the Governor's proposal and reduce PR funding by \$2,700,000 annually. Provide \$906,400 GPR and \$1,759,600 FED in each year to replace the foregone program revenue (these funds are net of the savings associated with employer notices).

<u>Alternative C2</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	\$1,812,800	\$3,519,200	-\$5,400,000	-\$68,000

D. County CR&D Fees

1. Adopt the Governor's recommendation and allow DWD (or its designee) to collect any unpaid county CR&D fees that are shown on DWD's automated payment and collection system on December 31, 1998.
2. Delete the Governor's proposal and reduce PR funding by \$1,350,000 in 1999-00 and \$450,000 in 2000-01. Provide \$459,000 GPR and \$891,000 FED in 1999-00 and \$153,000 GPR and \$297,000 FED in 2000-01 to replace the foregone program revenue.

<u>Alternative D2</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	\$612,000	\$1,188,000	-\$1,800,000	\$0

E. Bureau of Child Support Positions

1. Adopt the Governor's recommendation and provide permanent position authority of 6.0 FTE (2.04 GPR and 3.96 FED) positions in 1999-00 and 12.0 FTE (4.08 GPR and 7.92 FED) positions in 2000-01 for the Bureau of Child Support.
2. Delete the positions recommended by the Governor and authorize the Department to reallocate vacant positions from within the Division of Economic Support to perform these functions. Reduce funding by \$62,000 GPR and \$119,900 FED in 1999-00 and \$170,900 GPR and

\$332,900 FED in 2000-01 from the amounts provided in the bill.

<u>Alternative E2</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$232,900	- \$452,800	- \$685,700
2000-01 POSITIONS (Change to Bill)	- 4.08	- 7.92	- 12.00

3. Delete half of the positions (3.0 FTE in 1999-00 and 6.0 FTE in 2000-01) recommended by the Governor and authorize the Department to reallocate vacant positions from within the Division of Economic Support to perform these functions. Reduce funding by \$31,000 GPR and \$60,000 FED in 1999-00 and \$85,400 GPR and \$166,500 FED in 2000-01 from the amounts provided in the bill.

<u>Alternative E3</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$116,400	- \$226,500	- \$342,900
2000-01 POSITIONS (Change to Bill)	- 2.04	- 3.96	- 6.00

F. Database Administration Positions

1. Adopt the Governor's recommendation to provide PR-S funding of \$107,200 in 1999-00 and \$142,700 in 2000-01 and 2.0 permanent positions each year in the Bureau of Information Technology Services to assume responsibility of database administration for the KIDS system.

2. Delete the positions recommended by the Governor and authorize the Department to reallocate vacant positions from within the Division of Economic Support to perform these functions. Reduce funding for KIDS by \$36,400 GPR and \$70,800 FED in 1999-00 and \$48,500 GPR and \$94,200 FED in 2000-01.

<u>Alternative F2</u>	<u>GPR</u>	<u>FED</u>	<u>PR</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$84,900	- \$165,000	- \$249,900	- \$499,800
2000-01 POSITIONS (Change to Bill)	0.00	0.00	- 2.00	- 2.00

3. Delete one of the positions recommended by the Governor and reduce PR funding by \$53,600 in 1999-00 and \$71,400 in 2000-01. Authorize the Department to reallocate a vacant position from within the Division of Economic Support to perform this function. Reduce funding in the KIDS budget by \$18,200 GPR and \$35,400 FED in 1999-00 and \$24,300 GPR and \$47,100 FED in 2000-01.

Alternative F3	GPR	FED	PR	TOTAL
1999-01 FUNDING (Change to Bill)	-\$42,500	-\$82,500	-\$125,000	-\$250,000
2000-01 POSITIONS (Change to Bill)	0.00	0.00	- 1.00	- 1.00

G. Place Funding in Committee's Appropriation

1. Place \$1,000,000 GPR in each year in the Committee's appropriation. Specify that the funds could be released under s. 13.10 if the Department determines that they are necessary for KIDS-related expenditures. This amount reflects the underspending that has occurred in recent years.

2. Place \$2,000,000 GPR in each year in the Committee's appropriation to be released under s. 13.10 if the Department determines that they are necessary for KIDS-related expenditures. This amount reflects the underspending that has occurred in recent years as well as the potential for increased revenues from the CR&D fee.

MO# A-1, B-1

1	BURKE	<input checked="" type="radio"/>	N	A
	DECKER	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	MOORE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	PLACHE	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	N	A
	PANZER	<input checked="" type="radio"/>	N	A
2	GARD	<input checked="" type="radio"/>	N	A
	PORTER	<input checked="" type="radio"/>	N	A
	KAUFERT	<input checked="" type="radio"/>	N	A
	ALBERS	<input checked="" type="radio"/>	N	A
	DUFF	<input checked="" type="radio"/>	N	A
	WARD	<input checked="" type="radio"/>	N	A
	HUBER	<input checked="" type="radio"/>	N	A
	RILEY	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS 0

MO# E-2, F-2, G-2

2	BURKE	<input checked="" type="radio"/>	N	A
	DECKER	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	MOORE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	PLACHE	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	N	A
	PANZER	<input checked="" type="radio"/>	N	A
1	GARD	<input checked="" type="radio"/>	N	A
	PORTER	<input checked="" type="radio"/>	N	A
	KAUFERT	<input checked="" type="radio"/>	N	A
	ALBERS	<input checked="" type="radio"/>	N	A
	DUFF	<input checked="" type="radio"/>	N	A
	WARD	<input checked="" type="radio"/>	N	A
	HUBER	<input checked="" type="radio"/>	N	A
	RILEY	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS 0

(part c)

WORKFORCE DEVELOPMENT -- CHILD SUPPORT

County Centralized Receipt and Disbursement Fee: Income Assignment and Withholding

Motion:

Move to extend the bill provisions related to income withholding and assignment, the assignment of arrearages and the initiation of income assignments by county child support agencies to centralized receipt and disbursement (CR&D) fee arrearages that are owed to the counties.

Note:

The bill would adopt the following modifications to enhance the collection of the annual \$25 CR&D fee by DWD, effective January 1, 2000: (a) income withholding and assignment; (b) the assignment of arrearages; and (c) the initiation of income assignments by county child support agencies. Counties that removed unpaid CR&D fees from the state's computer system on December 31, 1998, may still pursue the collection of those fees under the bill.

This motion would extend the same enhanced enforcement provisions to counties for purposes of collecting CR&D fee arrearages.

MO# 174

1	BURKE	Y	N	A
2	DECKER	Y	N	A
	JAUCH	Y	N	A
	MOORE	Y	N	A
	SHIBILSKI	Y	N	A
	PLACHE	Y	N	A
	COWLES	Y	N	A
	PANZER	Y	N	A
	GARD	Y	N	A
	PORTER	Y	N	A
	KAUFERT	Y	N	A
	ALBERS	Y	N	A
	DUFF	Y	N	A
	WARD	Y	N	A
	HUBER	Y	N	A
	RILEY	Y	N	A

(part D)

Senator Burke

WORKFORCE DEVELOPMENT -- CHILD SUPPORT

Centralized Receipt and Disbursement Fee: Authority to Collect Arrearages of County Fees

Motion:

Move to delete the Governor's recommendation to allow DWD (or its designee) to collect any unpaid county centralized receipt and disbursement (CR&D) fees that are shown on DWD's automated payment and collection system on December 31, 1998. Instead, specifically authorize counties to collect any CR&D fees that were owed to the counties and that are in arrears. Increase funding for the CR&D system by \$459,000 GPR and \$891,000 FED in 1999-00 and \$153,000 GPR and \$297,000 FED in 2000-01.

Note:

This motion would authorize counties, rather than DWD, to collect any unpaid fees that were owed to the counties when the state took over the CR&D function on January 4, 1999. The KIDS budget includes collections of these arrearages of \$1,350,000 in the first year and \$450,000 in the second year. These estimates reflect \$1.8 million in unpaid county fees on December 31, 1998, associated with individuals who are currently making support payments. This motion would also increase funding for the CR&D system by \$459,000 GPR and \$891,000 FED in 1999-00 and \$153,000 GPR and \$297,000 FED in 2000-01 to offset the reduced program revenue.

[Change to Bill: \$612,000 GPR, \$1,188,000 FED and -\$1,800,000 PR]

MO# 173

BURKE	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
DECKER	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
JAUCH	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
MOORE																						
SHIBILSKI																						
PLACHE																						
COWLES																						
PANZER																						
GARD																						
PORTER																						
KAUFERT																						
ALBERS																						
DUFF																						
WARD																						
HUBER																						
RILEY																						
AYE 8 NO 8 ABS 0																						

ATTACHMENT

KIDS Budget Under 1999 Assembly Bill 133

	1999-00			2000-01		
	GPR	FED	Total	GPR	FED	Total
System Maintenance and Change Orders						
Ongoing System Maintenance	\$1,159,800	\$2,251,300	\$3,411,100	\$1,159,800	\$2,251,300	\$3,411,100
Contractor Fixed Costs	530,400	1,029,600	1,560,000	530,400	1,029,600	1,560,000
Centralized Receipt & Disbursement	1,170,500	2,272,200	3,442,700	607,300	1,179,000	1,786,300
New Hire Reporting System	351,900	683,100	1,035,000	360,200	699,200	1,059,400
Other Change Orders Required by Federal Law	871,700	3,486,900	4,358,600	871,700	3,486,900	4,358,600
County Priority Requests	<u>322,200</u>	<u>625,300</u>	<u>947,500</u>	<u>322,200</u>	<u>625,300</u>	<u>947,500</u>
Subtotal	\$4,406,500	\$10,348,400	\$14,754,900	\$3,851,600	\$9,271,300	\$13,122,900
State Staff and BITS Costs						
State Staff	\$752,600	\$1,868,000	\$2,620,600	\$795,900	\$1,966,200	\$2,762,100
Supplemental Staff	313,300	608,200	921,500	191,600	371,900	563,500
Capital/Installation/Infrastructure	34,000	66,000	100,000	34,000	66,000	100,000
800 Number/Help Desk/Voice Response	68,000	132,000	200,000	68,000	132,000	200,000
LAN Service	272,700	529,200	801,900	286,600	556,400	843,000
Maintenance	8,500	16,500	25,000	8,500	16,500	25,000
DWD System Fee	<u>380,700</u>	<u>739,000</u>	<u>1,119,700</u>	<u>399,800</u>	<u>775,900</u>	<u>1,175,700</u>
Subtotal	\$1,829,800	\$3,958,900	\$5,788,700	\$1,784,400	\$3,884,900	\$5,669,300
InfoTech Charges						
Mainframe	\$3,226,400	\$6,047,000	\$9,273,400	\$3,226,400	\$6,047,000	\$9,273,400
Telecommunications	<u>500,500</u>	<u>639,500</u>	<u>1,140,000</u>	<u>525,500</u>	<u>671,500</u>	<u>1,197,000</u>
Subtotal	\$3,726,900	\$6,686,500	\$10,413,400	\$3,751,900	\$6,718,500	\$10,470,400
Supplies and Services						
Centralized Mailing	\$409,300	\$794,600	\$1,203,900	\$377,500	\$732,700	\$1,110,200
Credit Bureau Reports	11,000	21,400	32,400	12,200	23,800	36,000
General Supplies and Services	<u>671,900</u>	<u>1,304,100</u>	<u>1,976,000</u>	<u>671,900</u>	<u>1,304,100</u>	<u>1,976,000</u>
Subtotal	\$1,092,200	\$2,120,100	\$3,212,300	\$1,061,600	\$2,060,600	\$3,122,200
Total KIDS Budget	\$11,055,400	\$23,113,900	\$34,169,300	\$10,449,500	\$21,935,300	\$32,384,800

Gov Agency: DWD – Child Support Research & Statistics Position

Recommendations:

Paper No.: 1071 **Alternative:** 2

Comments: See paragraphs 6 & 7 for supporting arguments. They have 46 vacant positions. They could reallocate some of the vacant positions here instead of creating new positions.

Prepared by Cindy



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 22, 1999

Joint Committee on Finance

Paper #1071

Child Support Research and Statistics Position (DWD -- Child Support)

[LFB 1999-01 Budget Summary: Page 713, #6]

CURRENT LAW

There are currently 20 FTE positions authorized in the Research and Statistics Section of the Division of Economic Support, including one section chief. Two of these positions are normally dedicated full-time to child support issues and the remaining positions work primarily on W-2, child care, food stamps, cost allocation and data development. The staffing budget for the Section is currently \$1,119,000 (\$428,000 GPR, \$36,000 PR and \$655,000 FED).

GOVERNOR

Increase funding by \$32,600 (\$11,100 GPR and \$21,500 FED) in 1999-00 and \$43,500 (\$14,800 GPR and \$28,700 FED) in 2000-01 and provide 1.0 (0.34 GPR and 0.66 FED) position each year in the Research and Statistics Section.

DISCUSSION POINTS

1. As it relates to child support, the Research and Statistics Section is responsible for validating reports produced by the Kids Information Data System (KIDS) contractors, producing reports to meet federal requirements and responding to other data inquiries. This Section is also responsible for maintaining data related to the federal child support demonstration waiver.

2. The Department indicates that the current staffing level was established prior to passage of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), which increased the states' reporting requirements on child support. Wisconsin's new centralized support receipt and disbursement system and new hire reporting system were also the result of the PRWORA requirements. In addition, KIDS became operational after the current staffing level was established. Prior to KIDS, the counties were responsible for maintaining child support data.

3. Specifically, some of the Section's new federal reporting responsibilities include the development of quarterly and annual reports on support caseloads, the types of cases (such as public assistance cases or cases with arrearages only), support collections by type (such income withholding, direct payments or tax intercepts), collections compared to the amount of support ordered, the number of new support cases and paternities established and the types of services being provided (paternity establishments and parent locator services).

4. The Department's budget request included 2.0 FTE research and statistics positions beginning in the second year of the biennium. The Governor deleted one of the positions, but recommended that the authority for the remaining position be granted in the first year.

5. The Department indicates that the additional position would enable the Department to better meet its PRWORA requirements and to maintain KIDS data by analyzing information and producing reports related to child support and the KIDS system.

6. Based on a review of the Section's positions, there do not appear to be any long-term vacancies that could be reallocated from within the Section. However, there are 46 positions in other sections of the Division of Economic Support (DES) that have been vacant for seven months or longer; 10 have been vacant for 13 months or more. Of the 46 vacant positions, there are three research analyst positions that have been vacant for seven months, which is the same classification as the recommended position. In addition, the Division is currently in the process of reorganizing, which is expected to be completed by the end of the fiscal year.

7. Since there are a number of vacant positions within the Division and a reorganization is currently being developed, the Committee could delete the funding and position recommended by the Governor and authorize the Department to reallocate a vacant position to the Research and Statistics Section.

ALTERNATIVES

1. Approve the Governor's recommendation to provide \$11,100 GPR and \$21,500 FED in 1999-00 and \$14,800 GPR and \$28,700 FED in 2000-01 and 1.0 (0.34 GPR and 0.66 FED) position each year in the Research and Statistics Section of the Division of Economic Support.

2. Delete the funding and position recommended by the Governor and authorize the Department to reallocate a vacant position in DES to the Research and Statistics Section.

<u>Alternative 2</u>	<u>GPR</u>	<u>FED</u>	<u>TOTAL</u>
1999-01 FUNDING (Change to Bill)	- \$25,900	- \$50,200	- \$76,100

Prepared by: Kelsie Doty

MO# 117 2

2	BURKE	(Y)	N	A
	DECKER	(Y)	N	A
	JAUCH	(Y)	N	A
	MOORE	(Y)	N	A
	SHIBILSKI	(Y)	N	A
	PLACHE	(Y)	N	A
	COWLES	(Y)	N	A
	PANZER	(Y)	N	A
	GARD	(Y)	N	A
	PORTER	(Y)	N	A
	KAUFERT	(Y)	N	A
	ALBERS	(Y)	N	A
	DUFF	(Y)	N	A
	WARD	(Y)	N	A
	HUBER	(Y)	N	A
	RILEY	(Y)	N	A

AYE 16 NO 0 ABS 0

Gov Agency: DWD – State Child Support Payments to Counties

Recommendations:

2, 3^a+4

Paper No.: 1072 **Alternative:** 3b and 4

Comments: See paragraph 11. This will give counties the greatest flexibility in developing the rules for the distribution of these funds. Also allows for legislative oversight in the distribution of these funds. This option is supported by Milwaukee County

Prepared by Cindy



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 22, 1999

Joint Committee on Finance

Paper #1072

State Child Support Payments to Counties (DWD -- Child Support)

[LFB 1999-01 Budget Summary: Page 713, #7]

CURRENT LAW

The state distributes federal child support incentive payments to counties and also provides state funding for paternity establishment, collection enforcement and order revision. The following programs are outlined in state statute:

State Supplemental Funding. State PR funding from child support assigned to the state by public assistance recipients is provided to offset reduced federal incentive payments that resulted from declining public assistance caseloads. The payments of state funding made under this program are distributed in accordance with a formula developed by DWD in consultation with county representatives.

The combined amount of federal incentive payments and state supplemental funding provided under this program is limited to \$10.5 million annually. The state's supplemental payment for the 1998-99 fiscal year may not exceed \$3,850,000. Under this funding mechanism, if the amount of federal incentive funding exceeds \$6.65 million, the amount of state funding is reduced from the \$3.85 million maximum so that the combined total does not exceed \$10.5 million. However, if federal funding falls below \$6.65 million, the total amount distributed to the counties falls below \$10.5 million since the state contribution is capped at \$3.85 million. Since the federal incentive payment has historically been greater than \$6.65 million, the state supplemental contribution has been less than \$3.85 million.

State Incentive Program. Under state law, DWD must provide incentive payments, in a total amount of at least \$259,000 GPR annually, to counties that meet child support administrative efficiency criteria, according to a distribution formula established by DWD. The formula must provide an incentive for counties to increase child support collections made on behalf of families who receive public assistance benefits as well as those who do not receive such benefits and to increase paternity establishments.

The statutes also specify that state incentive payments made to a county be of an amount so that the total of state and federal incentive payments does not exceed 105% of the county's child support program costs. In addition, the statutes specify that a county that receives a state incentive payment under this program may use the funds only to pay the costs of the county's child support enforcement program.

Order Revision Program. State law requires DWD to award grants to counties for programs to revise child support orders, based on each county's percentage of statewide cases with orders. State GPR is currently used to fund this program. The program was created in response to a 1993 federal law that requires states to review child support orders every three years for all public assistance cases and upon request for other cases. Base level funding for the state incentive and order revision programs is \$1,840,100.

GOVERNOR

Modify the programs that distribute state funding to counties for paternity establishment and child support enforcement as follows:

- a. Replace \$1,840,100 annually in GPR funding for the order revision program and state incentive program with PR funding from child support payments assigned to the state by public assistance recipients.
- b. Eliminate the current law provision that specifies that no state incentive payment can be made to a county if the total of state and federal incentive payments exceeds 105% of the county's child support program's cost.

DISCUSSION POINTS

1. The federal Child Support Performance and Incentive Act of 1998 (P.L. 105-200) phased-out the prior federal incentive program over federal fiscal years 2000 and 2001 and created a new incentive program, which will be fully implemented by FFY 2002. Previously, states received federal incentive monies based on the percentage of support collections made on behalf of public assistance recipients and the percentage of collections made on behalf of other families. In recent years, Wisconsin's incentive payment has declined from \$12.4 million in FFY 1995 to \$7.2 million in FFY 1998 due to declining public assistance caseloads.

2. The new federal incentive program will be based on the following five performance measures: (a) paternity establishment; (b) establishment of support orders; (c) collection of current support due; (d) collection of child support arrearages; and (e) cost-effectiveness. In addition, the federal legislation requires the Secretary of the federal Department of Health and Human Services to develop a performance measure on the establishment and enforcement of medical support to be submitted in a report to Congress by October 1, 1999. States will compete with each other for available funding under the new incentive program. It is projected that Wisconsin's payment could

be between \$7 million and \$9 million annually. However, the actual amount will depend on Wisconsin's performance relative to the performance of other states.

3. The federal incentive program was also modified to prohibit federal incentive dollars from being used to fund programs or services other than child support enforcement. Previously, incentive payments earned by states did not have to be reinvested in enforcement programs, but could be used for other purposes.

4. Due to the changes in the federal incentive program, DWD consolidated the state's incentive programs for counties, not including the order revision program, with the federal incentive dollars into a single performance-based program. The new program was developed by DWD and county child support agencies and was part of the 1998 and 1999 state and county contracts. Calendar year 1998 represented a transition year from the old federal and state incentive programs to the new, consolidated performance-based program.

5. Under the state's new performance-based program, an allocation is determined for each county based on its share of statewide support cases that receive enforcement services from a county child support agency. Each county is guaranteed one-half of its allocation. The remaining allocation is earned based on two standards: (a) 50% is based on the percentage of child support cases with a collection; and (b) 50% is based on the percentage of paternities established for non-marital children. High performing counties can earn up to 105% of their allocation under each standard if there are unearned funds available from other counties.

6. The Department indicates that the new performance-based program was developed in order to improve Wisconsin's ability to compete with other states for federal incentive dollars. As noted above, the new federal incentive payments will be based on each state's performance relative to others.

7. The Governor's budget bill provision would modify a current law provision that relates to how state incentive payments are distributed to counties. As noted above, the statutes currently provide that state incentive payments to a county can not cause the combined amount of state and federal incentive payments to exceed 105% of a county's costs. The bill would eliminate this provision. The administration indicates that, in response to the federal law change, the intent of the modification is to ensure that all federal and state incentive dollars are spent only on county child support programs. However, it is unclear how this modification would be applied since it would remove language that, for purposes of eligibility for state incentive funds, imposes a 105% cap on the combined amount of state and federal incentive funding. It could be interpreted that the act of removing the 105% limit eliminates the overall funding cap on federal incentive payments. An amendment to the bill could be adopted to specify that the total of state and federal incentive payments could not exceed 100% of the county's child support program costs. This change would conform with the administration's intent.

8. Since state funding and the federal incentive dollars have already been administratively consolidated into a single program, an amendment could be adopted to replace the

current statutory programs with a single county incentive program that more closely follows current practice. The order revision program could also be combined into a consolidated program because the order revision function is now a standard part of child support enforcement. The statutes could be modified to direct DWD to distribute state funding and federal incentive payments to counties in accordance with a formula developed by DWD in consultation with county representatives. It could also be specified that counties that receive a payment under this program must use the funds only to pay the costs of their child support programs.

9. Under the bill, the counties would be eligible for up to \$10.5 million in federal and state supplemental incentive payments and another \$1.84 million in state funding for a total of \$12.34 million. Of the \$12.34 million, no more than \$5.69 million (\$1.84 million plus up to \$3.85 million) is made up of state dollars.

10. Funding for the program could be structured in one of three ways, which are outlined below. The options vary depending on whether the counties are guaranteed a certain amount or if the amount of state funding is limited.

a. Specify that the combined amount of federal and state funding distributed to the counties would be limited to \$12.34 million each year. In addition, provide that the state contribution would be limited to \$5.69 million annually. Under this option, the total amount distributed to the counties could fall below \$12.34 million if the federal incentives were less than \$6.65 million for the year. However, the state contribution would be less than \$5.69 million if the federal incentive payment exceeded \$6.65 million. This is similar to how the distribution of state supplemental incentive funding and federal incentive payments is structured under current law.

b. Specify that the state contribution to the county incentive program would be \$5.69 million annually. Under this option, the combined amount of state and federal funding distributed to the counties would equal the federal payment plus the \$5.69 million in state funds. If the federal incentives were less than \$6.65 million, counties would receive a combined amount of less than \$12.34 million. On the other hand, if the federal incentive payment exceeded \$6.65 million, the total amount distributed to the counties would be higher.

c. Specify that a combined total of \$12.34 million in federal and state funding would be distributed to the counties each year. The state's share would equal the difference between the federal incentive payment and \$12.34 million. The state's contribution would exceed \$5.69 million if the federal incentive were below \$6.65 million. If the federal incentive payment exceeded \$6.65 million, the state's share would be less than \$5.69 million.

11. The Department could be directed to promulgate an administrative rule, in consultation with county representatives, that outlines how the state funding and federal incentive payments would be distributed to the counties. This would provide some legislative oversight of a program that would distribute amounts of approximately \$12.34 million on an annual basis, including \$5.69 million of state dollars. There are currently no administrative rules regarding the funding of the existing county child support enforcement programs.

ALTERNATIVES

1. Adopt the Governor's recommendation to eliminate the current law provision that specifies that no state incentive payment can be made to a county if the total of state and federal incentive payments exceed 105% of the county's child support program's cost.
2. Modify the Governor's recommendation by specifying that the total of state and federal incentive payments may not exceed 100% of the county's child support program's cost.
3. Delete the Governor's recommendation as it relates to how state incentive funding is distributed to counties. In addition, repeal the three current law county child support programs and replace them with one program that directs DWD to distribute state funding and federal incentive payments to counties in accordance with a formula developed by the Department in consultation with county representatives. Specify that counties that receive a payment under this program must use the funds only to pay the costs of their child support programs.

One of the following three funding distribution mechanisms would also need to be adopted:

- a. Specify that the combined amount of federal and state funding distributed to the counties would be limited to \$12.34 million each year and provide that the state contribution would be limited to \$5.69 million annually.
 - b. Specify that the state would contribute \$5.69 million each year to the county incentive program.
 - c. Specify that the combined total of federal and state funding distributed to the counties would be \$12.34 million each year. Under this option, the state share would be calculated by subtracting the federal incentive payment from \$12.34 million.
4. Direct the Department to promulgate an administrative rule, in consultation with county representatives, that outlines how the state funding and federal incentive payments would be distributed to the counties.

Prepared by: Kelsie Doty

MO# 2,3a,4

2 BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE 16 NO 0 ABS 0

Gov Agency: DWD – State is Real Party in Interest in Child Support Cases if the Parent Receives Food Stamps

Recommendations:

Good

Paper No.: 1073 **Alternative:** 2ab

Comments: Brings Food Stamps in line with other public benefits program in assisting individuals in collecting child support payments. Applying this modification to actions that have **commenced** rather than **pending** appears to have the least effect on the court system in actions affecting the family.

Prepared by: Cindy

*Moore and Decker
want Alt-3
maintain current law.
This is okay.*



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 22, 1999

Joint Committee on Finance

Paper #1073

State is a Real Party in Interest in Child Support Cases if the Parent Receives Food Stamps (DWD -- Child Support)

[LFB 1999-01 Budget Summary: Page 714, #8]

CURRENT LAW

Under current law, the state is a real party in interest for purposes of establishing paternity, securing reimbursement of aid paid, future support and costs as appropriate in an action affecting the family when aid is provided under the foster care, kinship care, medical assistance or Wisconsin Works (W-2) programs on behalf of the child or the child's custodial parent. This provision also applies whenever aid under these programs has been provided in the past.

GOVERNOR

Specify that the state is a real party in interest in an action affecting the family if a child's custodial parent receives food stamp benefits. This modification would first apply to actions affecting the family that are pending on the bill's general effective date.

DISCUSSION POINTS

State is a Real Party in Interest

1. Under current law, cooperation with child support enforcement efforts is required for eligibility for food stamp benefits, unless the individual can show good cause not to cooperate. Cooperation is also required for purposes of the W-2, child care and medical assistance (except for pregnant women and children) programs.

2. As noted above, the state is a real party in interest for purposes of establishing paternity, securing reimbursement of aid paid, future support and costs as appropriate in an action

affecting the family when aid is provided under the foster care, kinship care, medical assistance or W-2 programs in the present as well as in the past.

3. As drafted, the bill provision would make the state a party in interest in cases involving child support actions when the custodial parent is presently receiving food stamps. However, the state would still not be a real party in interest when food stamp benefits had been provided in the past. An amendment could be adopted to make the food stamp provision consistent with the foster care, kinship care, medical assistance and W-2 programs as they relate to the state's interest in court actions involving the family when food stamps had been provided in the past. The Department indicates that this would conform with its intent.

4. Many food stamp recipients also receive benefits through one or more of the state's other public assistance programs for which the state is a real party in interest under current law. As a result, this modification would only apply to food stamp recipients who do not receive other benefits.

5. Since food stamp benefits are entirely federally funded, this provision would not help to recover state dollars. However, it could be argued that the state has an obligation to assist these individuals in securing child support payments since the state requires beneficiaries to cooperate in attaining support in order to qualify for food stamps. In addition, since food stamp recipients have low income, they may apply for other state state-funded public assistance programs in the future if support dollars are not collected.

Initial Applicability Date

6. As drafted, the bill provision would first apply to actions affecting the family that are pending on the bill's general effective date. Questions have been raised regarding the impact of first applying the modification to actions pending, as opposed to actions commenced, on the bill's effective date.

7. Based on discussions with various family court commissioners and judges, having this provision first apply to actions pending on the bill's effective date could delay proceedings until the state is notified of the action and has an opportunity to respond.

8. On the other hand, the Department indicates that making the new provision first apply to actions that are commenced on the bill's effective date could result in judges and family court commissioners electing to dismiss cases that are pending on that date so that a new action could be commenced at a later date with the state as a real party in interest.

ALTERNATIVES

1. Adopt the Governor's recommendation to make the state a real party in interest when food stamp benefits are being provided at the time of the action and specify that this modification would first apply to actions affecting the family that are pending on the bill's general effective date.

2. Adopt the Governor's recommendation with one or both of the following modifications:

a. Specify that the state is a real party in interest when food stamps had been provided in the past.

b. Specify that the new provision would first apply to actions affecting the family that are commenced on the bill's general effective date.

3. Maintain current law.

Prepared by: Kelsie Doty

MO# Alt. 3

2	BURKE	<input checked="" type="radio"/>	N	A
1	DECKER	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	MOORE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	PLACHE	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	N	A
	PANZER	<input checked="" type="radio"/>	N	A
	GARD	Y	<input checked="" type="radio"/> N	A
	PORTER	Y	<input checked="" type="radio"/> N	A
	KAUFERT	Y	<input checked="" type="radio"/> N	A
	ALBERS	<input checked="" type="radio"/>	<input checked="" type="radio"/> N	A
	DUFF	Y	<input checked="" type="radio"/> N	A
	WARD	Y	<input checked="" type="radio"/> N	A
	HUBER	<input checked="" type="radio"/>	N	A
	RILEY	<input checked="" type="radio"/>	N	A

AYE 11 NO 5 ABS 0

MO# _____

BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

AYE _____ NO _____ ABS _____

Gov Agency: DWD-Certification of Delinquent Payments

Recommendations:

Paper No.: 1074 **Alternative:** ³2

Card 2

Comments: See paragraphs 6 & 7 for supporting arguments. Alternative 3 would be ok. It just delays the ability for child support agencies to enter into alternative payment arrangements until the lien docket is fully operational in June, 2000.

Prepared by: Cindy



Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

April 22, 1999

Joint Committee on Finance

Paper #1074

Certification of Delinquent Payments (DWD-- Child Support)

[LFB 1999-01 Budget Summary: Page 714, #9]

CURRENT LAW

Under current law, the Department of Workforce Development (DWD) certifies the amount of delinquent child support, family support or maintenance, medical expenses and birth expenses. These certifications are provided to the federal Internal Revenue Service (IRS) and the Wisconsin Department of Revenue (DOR) for use in intercepting income tax refunds of delinquent obligors. In addition, DWD may provide these certifications to certain state agencies and authorities. Grants, loans and waivers are denied to individuals whose name appears on these certifications, with the exception of certain programs administered by the Department of Veterans' Affairs that allow for approved repayment arrangements. The state agencies and authorities that receive the certifications and the applicable grant, loan and waiver programs include the following:

Commerce -- Grants for private sewage system replacement or rehabilitation.

Higher Education Assistance Board -- Education grants and Minnesota-Wisconsin tuition reciprocity waivers.

Justice -- Awards for victims of crimes.

Military Affairs -- Education benefits.

Natural Resources -- Financial assistance for nonpoint source water pollution abatement.

University of Wisconsin System -- Financial aid.

Veterans' Affairs -- Tuition and fee reimbursement, personal loans and housing loans.

Wisconsin Housing and Economic Development Authority -- Loans for housing projects and homeownership and economic development, small business development and agricultural production loan guarantees.

GOVERNOR

Eliminate the current law provision that allows DWD to provide a certification of delinquent support to these state agencies and authorities for use in determining an individual's eligibility for grant, loan and waiver programs. Instead, prohibit the agencies and authorities listed above from providing grants, loans or waivers to individuals whose name appears on the statewide support lien docket, unless the individual provides a payment agreement to the agency or authority that has been approved by the county child support agency and that is consistent with rules promulgated by DWD.

DISCUSSION POINTS

Use of Support Lien Docket

1. As required under the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996, 1997 Wisconsin Act 191 made a number of changes to the state's child support enforcement laws, including the imposition of liens against property and license suspensions of delinquent obligors. In order to implement these provisions, DWD is establishing a statewide support lien docket.

2. Under current law, if a person fails to pay court-ordered support, the delinquent amount becomes a lien in favor of DWD upon all of the person's property. The lien becomes effective when the information is entered into the statewide support lien docket and the docket is delivered to the register of deeds. Proposed rules regarding these provisions were submitted to the Legislature on March 24, 1999. The rules specify that an obligor's name will be placed on the lien docket when the amount owed equals or exceeds the greater of the monthly amount due or \$500. Once the delinquent amount is paid in full, the lien is extinguished and the obligor's name is removed from the lien docket. It is expected that the lien docket will be fully operational by June, 2000.

3. Certification of delinquent amounts would still be provided to the IRS and DOR under the bill for purposes of intercepting tax refunds and credits. However, the other state agencies would instead refer to the statewide support lien docket to determine if an individual is ineligible for a grant, loan or waiver because of delinquent support. According to DWD, the lien docket would be easier for other agencies to use when determining eligibility for a grant or loan and would be updated more frequently than the certification list.

Alternative Payment Arrangements

4. The statutes specify that DWD may enforce the lien once an obligor's name appears on the lien docket unless the individual pays the delinquent amount in full or makes satisfactory alternative payment arrangements with DWD or a county child support agency. In addition, delinquent support can cause the obligor's driver's, professional, occupational and recreational licenses to be restricted, suspended or denied for five years or until the individual satisfies the support delinquency or enters into an alternative payment arrangement. DWD is granted rule-making authority under current law to establish guidelines for alternative payment plans. The proposed rules allow an obligor to negotiate an alternative payment plan with a child support agency that consists of either a lump-sum payment or periodic payments on the arrearage or both. Such an agreement would suspend any administrative enforcement action against the obligor as long as the obligor complies with the plan.

5. The bill would also allow a grant, loan or waiver to be made to an individual whose name appears on the lien docket if the obligor enters into a payment agreement that has been approved by the county child support agency and that is consistent with rules promulgated by DWD. Although county child support agencies have historically entered into repayment arrangements with delinquent obligors, only the tuition and fee reimbursement program and loans administered by the Department of Veterans' Affairs (DVA) currently allow a grant or loan to be made if the applicant has entered into a repayment agreement. By making this modification, the bill would make the other grant, loan and waiver programs consistent with the administrative enforcement provisions and DVA programs that currently allow for such agreements.

Effective Date

6. As drafted, the new provisions would take effect on the bill's general effective date. However, as noted, DWD anticipates that the lien docket will not be operational until June, 2000, which is likely to be after enactment of the budget bill. In order to ensure that the provision regarding use of the lien docket does not take effect before the lien docket is operational, the bill could be modified to: (a) direct the Department to publish a notice in the Wisconsin Administrative Register that states the date on which the lien docket will begin operating; and (b) specify that either one or both of these provisions would take effect on the date indicated in the Administrative Register or on the bill's general effective date, whichever is later.

7. Since county child support agencies presently enter into repayment arrangements with delinquent obligors, the provision that would specifically allow grants, loans or waivers to be made if the delinquent obligor has entered into a repayment arrangement could continue to take effect with the bill's general effective date.

ALTERNATIVES

1. Adopt the Governor's recommendation to eliminate the current provision that allows DWD to certify delinquent support obligors to state agencies and authorities and, instead, prohibit

the state agencies and authorities listed above from providing grants, loans or waivers to individuals whose name appears on the statewide support lien docket, unless the individual provides a payment agreement to the agency or authority that has been approved by the county child support agency.

2. Adopt the Governor's recommendation with modifications to: (a) direct the Department to publish a notice in the Wisconsin Administrative Register that states the date on which the lien docket will begin operating; and (b) specify that the provision that would require agencies and authorities to refer to the lien docket instead of the certification list would take effect on the date indicated in the Administrative Register or on the bill's general effective date, whichever is later. The provision related to alternative payment arrangements would continue to take effect on the bill's general effective date.

3. Adopt the Governor's recommendation with modifications to: (a) direct the Department to publish a notice in the Wisconsin Administrative Register that states the date on which the lien docket will begin operating; and (b) specify that the provision regarding use of the lien docket and the provision allowing for alternative payment arrangements would take effect on the date indicated in the Administrative Register or on the bill's general effective date, whichever is later.

4. Maintain current law.

MO# Alt. 3

2	BURKE	<input checked="" type="radio"/>	N	A
	DECKER	<input checked="" type="radio"/>	N	A
	JAUCH	<input checked="" type="radio"/>	N	A
	MOORE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	PLACHE	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	N	A
	PANZER	<input checked="" type="radio"/>	N	A
1	GARD	<input checked="" type="radio"/>	N	A
	PORTER	<input checked="" type="radio"/>	N	A
	KAUFERT	<input checked="" type="radio"/>	N	A
	ALBERS	<input checked="" type="radio"/>	N	A
	DUFF	<input checked="" type="radio"/>	N	A
	WARD	<input checked="" type="radio"/>	N	A
	HUBER	<input checked="" type="radio"/>	N	A
	RILEY	<input checked="" type="radio"/>	N	A

AYE 16 NO 0 ABS 0

WORKFORCE DEVELOPMENT -- CHILD SUPPORT

Huber Law Wages

Withdrawn

Motion:

Move to provide that unpaid support of a prisoner's dependents would be the second draw on Huber Law wages after necessary travel expenses to and from work. Specify that the third draw on the wages would be board of the prisoner and the fourth draw would be incidental expenses of the prisoner. Provide that these provisions would take effect on January 1, 2000.

Note:

Under current law, unpaid support is third draw on Huber Law wages, behind the board of the prisoner and necessary travel expenses to and from work and other incidental expenses. Under this motion, the first four draws on Huber Law prisoners' wages would be: (1) necessary travel expenses to and from work; (2) support of the prisoner's dependents; (3) board of the prisoner; and (4) incidental expenses of the prisoner.

MO# 580

BURKE	Y	N	A
DECKER	Y	N	A
2 JAUCH	Y	N	A
1 MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

WORKFORCE DEVELOPMENT -- CHILD SUPPORT

Huber Law Wages

Motion:

Move to provide that unpaid support would be the ~~first~~ draw on Huber Law wages.

second

after travel expenses

Note:

Under current law, unpaid support is third draw on Huber Law wages, behind the board of the prisoner and necessary travel expenses to and from work and other incidental expenses. This motion would make unpaid support first draw on such wages.

MO# 524

BURKE	Y	N	A
DECKER	Y	N	A
JAUCH	Y	N	A
MOORE	Y	N	A
SHIBILSKI	Y	N	A
PLACHE	Y	N	A
COWLES	Y	N	A
PANZER	Y	N	A
GARD	Y	N	A
PORTER	Y	N	A
KAUFERT	Y	N	A
ALBERS	Y	N	A
DUFF	Y	N	A
WARD	Y	N	A
HUBER	Y	N	A
RILEY	Y	N	A

*Withdrawn
redraft on
previous page.*

AYE _____ NO _____ ABS _____

WORKFORCE DEVELOPMENT

Child Support

LFB Summary Item for Introduction as Separate Legislation

<u>Item #</u>	<u>Title</u>
10	Health Insurance Information From Insurers

Temporary Assistance to Needy Families (TANF)

<u>Paper #</u>	<u>Title</u>
1080	TANF Overview
1081	Revised Estimates and Technical Modifications for W-2 and Related Programs and Other Expenditures of Federal TANF Funds
1082	Earned Income Tax Credit Current Law Reestimate and Option to Use TANF Funds
	W-2 Agency Contracts
1083	W-2 Agency Contract Allocations
1084	Start-Up Funding for New W-2 Agencies
1085	W-2 Contracting Process
1086	W-2 Agency Profits and Performance Standards
1087	Contingency Payments
	Child Care
1088	Child Care Eligibility and Copay Requirements
1089	Indirect Child Care
1090	Child Care Administration by W-2 Agencies
1091	Extend Child Care Careers Coordinator
	Other Current Programs in DWD and DHFS
1092	Partial Community Service Job Participation
1093	Wage-Paying Community Service Job
1094	Inclusion of Child Support Income in Determining Eligibility for W-2 Employment Positions and Job Access Loans
1095	Residency Requirement Under the Wisconsin Works Program
1096	Kinship Care Benefits
1097	Kinship Care Administration
1098	SSI- Caretaker Supplemental Benefit Level
1099	Payment Procedures, Job Access Loans and the Emergency Assistance Program
1100	Children First Program

(over)

MO#	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A	A
	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
	BURKE	DECKER	JAUCH	MOORE	SHIBILSKI	PLACHE	COWLES	PANZER	GARD	PORTER	KAUFERT	ALBERS	DUFF	WARD	HUBER	RILEY

AYE 16 NO 0 ABS 0

- Representative Gard
- Senator Burke
- Senator Moore
- Senator Plache
- Senator Cowles
- Senator Panzer

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Temporary Assistance to Needy Families (TANF)

Motion:

Move to approve the Governor's recommendations contained in Fiscal Bureau Papers #1081 through #1105 and #1107 through #1115 with the following modifications:

1. LFB Paper #1081. Modification. Modify the Governor's proposal to account for the following inadvertent errors and reestimates: (a) a decrease of \$66,700 annually in program revenue from repayments of job access loans; (b) an increase in child support program revenue of \$9,732,300 in 1999-00 and \$10,402,100 in 2000-01; (c) a decrease of \$2,133,800 in 1999-00 in carryover funding from 1998-99; (d) an increase of \$5,000,000 in 1999-00 in the amount of funding retained by the state from the profit formula under the W-2 agency contracts; (e) a decrease in expenditures of \$1,900 FED in 1999-00 and \$24,300 FED in 2000-01 for the caretaker supplement; (f) an increase in expenditures of \$2,512,600 FED in 1999-00 and \$3,983,500 FED in 2000-01 for child support payments; (g) a decrease in funding transferred to DHFS for the social services block grant of \$6,100 FED in 2000-01; (h) a reduction in DWD's appropriations for the federal TANF and child care block grants of \$62,921,700 in 1999-00 and \$76,629,400 in 2000-01 to account for an inadvertent error; and (i) an increase in DWD's appropriation for federal local assistance by \$5,238,800 annually.

2. LFB Paper #1082. Alternative 1. Decrease funding for the earned income tax credit (EITC) by \$1,800,000 GPR in 1999-00 and \$3,600,000 GPR in 2000-01 to reflect a reestimate of funding needed for the credit.

3. LFB Paper #1082. Alternative 2. Provide \$58,000,000 in 1999-00 and \$61,000,000 in 2000-01 in a newly created annual PR-S appropriation consisting of TANF revenues transferred from DWD to fund the share of the EITC permitted under federal law. Decrease GPR funding for the EITC by the same amounts and specify that the GPR appropriation would be used to cover the costs of the credit that are not paid from the TANF appropriation. Increase DWD's appropriation for public assistance benefits and administration by \$24,050,000 GPR in the first year and \$20,450,000 GPR in the second year to provide adequate funds to cover the TANF MOE requirement and BadgerCare income maintenance. Federal TANF funds currently allocated to W-2, would be reduced by \$24,050,000 in 1999-00 and \$20,450,000 in 2000-01 to account for DWD's increased

GPR funding.

4. LFB Paper #1082. Alternative 3. Provide \$58,000,000 in 1998-99 in a newly created annual PR-S appropriation consisting of TANF revenues transferred from DWD to fund the share of the EITC permitted under federal law. Decrease GPR funding for the EITC by the same amount and specify that the GPR appropriation would be used to cover the cost of the credit that is not paid from the TANF appropriation. Increase DWD's appropriation for public assistance benefits and administration by \$24,300,000 GPR in 1998-99 to provide adequate funds to cover the TANF MOE requirement. Federal TANF funds currently allocated to W-2 would be reduced by \$24,300,000 to account for DWD's increased GPR funding. This option, which is similar to AB 243, would increase the 1999-00 opening balance in the general fund by \$33,700,000 and decrease the opening TANF balance by the same amount.

5. LFB Paper #1083. Alternative 2. Modify the statutory allocations for the W-2 program by reducing the amount identified for subsidized employment benefits by \$7,661,800 in 1999-00 FED and \$15,313,400 FED in 2000-01. In addition, reduce the amounts for performance bonuses by \$536,300 FED in 1999-00 and \$1,071,900 FED in 2000-01. This adjustment would make the benefit allocations in the bill consistent with the RFP, but would not transfer the savings to the allocation for administration.

6. LFB Paper #1083. Alternative 9. Modify the benefit allocations related to funding for the next W-2 agency contracts to reflect both a minimum allocation for each agency of five cases per month, and to reflect a 1.0% monthly decrease in the statewide caseload. Decrease funding by: (a) \$6,688,900 FED in 1999-00 and \$13,378,000 FED in 2000-01 for subsidized employment benefits; and (b) \$468,300 FED in 1999-00 and \$936,500 FED in 2000-01 for performance bonuses.

7. LFB Paper #1083. Alternative 10. Reduce funding for W-2 contracts by \$3,792,000 FED in 1999-00 and \$7,583,900 FED in 2000-01 to account for sanctions imposed on W-2 recipients. Specify that sanctions would be recovered from the W-2 agency as they are imposed by the agency on participants.

8. LFB Paper #1083. Alternative 14. Modify the Governor's proposal to specify that any dollars withheld, reduced or recovered from a W-2 agency because the agency has failed to satisfactorily perform its responsibilities under the contract would be added to the unallocated balance of unexpended TANF revenues that would be carried forward to the next fiscal year.

9. LFB Paper #1083. Alternative 15. Modify the Governor's recommendation to clarify that funding for subsidized employment benefits, administrative services, performance bonuses and agency start-up expenses is provided for the next W-2 agency contracts effective January 1, 2000 through December 31, 2001.

Modify the W-2 nonentitlement provision by requiring that a W-2 agency place a person who meets the eligibility requirements into a subsidized employment position under the W-2 program within 30 days of application if the person has made a reasonable search for employment

and has been unable to find an unsubsidized job. Further, specify that a W-2 agency must place a person who is incapable of performing an up-front job search in a subsidized employment position immediately upon determining that the person meets the eligibility requirements.

10. LFB Paper #1084. Alternative A2. Modify the Governor's recommendation by providing \$3,519,000 in 1999-00 for start-up funding for new W-2 agencies. This option assumes that 17 new agencies would receive an average of \$207,000, based on the average start-up funding provided for the initial contracts for all of the agencies outside of Milwaukee County. Compared to the bill, this is a decrease of \$3,665,400 FED.

11. LFB Paper #1084. Alternative B1. Modify the Governor's recommendation by placing start-up funding in the Joint Committee on Finance's program supplements appropriation. The funding could be released under s. 13.10 upon approval by the Committee of a plan regarding the use of these funds submitted by the Department after more information is available regarding the number of new W-2 agencies for the next contract period.

12. LFB Paper #1085. Alternative 2. Modify the Governor's proposal by requiring DWD to contract with an existing W-2 agency to administer the W-2 program if that agency has met the performance standards established by the Department with input from a statewide advisory group. Require the Department to establish a process for public input into the W-2 program, including the contract process, similar to the process established by DHFS with respect to the managed care program, including forming a statewide advisory group, regional forums and special workgroups to address issues of concern to interested parties. Direct the Department to allow all members of the public to participate in the workgroups. Specify that these provisions would first apply to the performance standards included in the third round of W-2 agency contracts.

13. LFB Paper #1086. Alternative A1. Direct the Department to amend the request for proposals for administration of the W-2 program for the period January 1, 2000 through December 31, 2001 to define the term "entered employment transaction" under the job retention performance criterion.

14. LFB Paper #1086. Alternative A3. Direct the Department to modify the "full and appropriate engagement" criterion as follows: (a) define full and appropriate engagement for each individual who is required to participate in the food stamp employment and training (FSET) program as engagement in activities equal to the household's monthly food stamp benefit divided by the minimum wage; (b) eliminate the provision that would specify that full and appropriate engagement for W-2 subsidized employment participants is engagement in appropriate activities for at least 30 hours per week; and (c) clarify that for two-parent families, engagement in work activities is defined as 55 hours per week for both parents if the family is receiving federally funded child care assistance and the second parent in the family is not disabled or caring for a severely disabled child.

15. LFB Paper #1086. Alternative B1. Modify the bill by adopting statutory provisions to require DWD to base any profit calculation under the W-2 agency contracts on measures of agency performance including: (a) the placement of W-2 applicants and participants into

unsubsidized jobs; (b) whether the jobs are full-time or part-time; (c) job retention by former applicants or participants; (d) wages and benefits earned by former applicants or participants; (e) appropriate implementation of all components of the program; and (f) customer satisfaction. In addition, specify that W-2 agency contracts may not permit agencies to receive profits based on caseload decreases or reduced agency spending that are not directly attributable to placement of W-2 participants in unsubsidized employment. Finally, require the Department to develop a system to track former applicants and participants to ensure that agency performance is reliably measured.

16. LFB Paper #1086. Modify the bill by requiring the Department to promulgate administrative rules regarding the criteria for use of the community reinvestment funding (called the "restricted use performance bonus" under the RFP for the next W-2 agency contracts). Eliminate funding for the 4% performance bonus from the W-2 agency contract allocations. Instead, distribute this funding to counties, based on the final contract allocation, for community reinvestment in accordance with DWD's rules. Specify that the use of community reinvestment funds would have to be determined by the County Board. Require DWD to certify that such expenditures would comply with the federal restrictions regarding the use of TANF funding.

17. LFB Paper #1087. Alternative 2. Modify the Governor's recommendation by reducing the contingency fund from \$90 million to \$95 million FED.

18. LFB Paper #1087. Alternative 3. Modify the Governor's recommendation by placing \$95 million for contingency payments in the Joint Committee on Finance's program supplements appropriation for release under s. 13.10.

19. LFB Paper #1088. Alternative 1. Increase funding by \$17,800,000 FED in 1999-00 and \$18,675,000 FED in 2000-01 to reflect a reestimate of the current law child care subsidy program. This would provide total funding of \$154,300,000 in 1999-00 and \$162,000,000 in 2000-01 for the current program.

20. LFB Paper #1088. Alternative 2. Reestimate the Governor's recommendations related to expanding child care eligibility and making modifications to the copay schedule by decreasing funding by \$4,070,000 FED in 1999-00 and increasing funding by \$300,000 FED in 2000-01. Specify that these modifications, with the exception of the educational activities-related item, would take effect on March 1, 2000.

21. LFB Paper #1088. Alternative 3. Reduce funding by \$9,050,900 FED in 1999-00 and eliminate the contingency reserve for direct child care.

22. LFB Paper # 1088. Limit the copay requirement for 18- and 19-year-old parents who are attending high school or pursuing a GED to the minimum copayment amount for each type of child care and for the appropriate number of children in subsidized care, effective March 1, 2000. Currently, minor teen parents who are not Learnfare participants pay the minimum copay amount and minor teen parents who are Learnfare participants have no copay requirement. Increase funding for child care subsidies by \$100,000 FED in 1999-00 and \$400,000 FED in 2000-01.

23. LFB Paper #1089. Alternative 2a. Increase funding for child care start-up and expansion grants by \$33,600 FED annually to reflect historical expenditures.

24. LFB Paper #1089. Alternative 2b. Decrease funding for child care quality improvement grants by \$300,000 FED annually to reflect expenditures in recent years.

25. LFB Paper #1089. Alternative 2c. Decrease funding for the local child care resource and referral (CCRR) agencies by \$300,000 FED annually to reflect recent changes in activity.

26. LFB Paper #1089. Alternative 3b. Eliminate the local child care resource and referral grant program and decrease funding by \$3,400,000 FED annually. Instead, provide \$1,000,000 FED annually for grants to address problems associated with child care for sick children.

27. LFB Paper #1089. Alternative 3d. Eliminate the revolving loan program for child care start-up and expansion and decrease funding by \$3,200,000 FED in 1999-00.

28. LFB Paper #1089. Alternative 3e. Eliminate the child care careers education program and decrease funding by \$1,000,000 FED in 1999-00 and \$2,500,000 FED in 2000-01.

29. LFB Paper #1090. Alternative 2. Maintain current law regarding local child care administration.

30. LFB Paper #1091. Alternative 2. Delete the Governor's recommendation and allow the child care careers coordinator position to terminate on December 31, 1999. Reduce funding by \$22,800 FED in 1999-00 and \$45,600 FED in 2000-01 to reflect the elimination of the position.

31. LFB Paper #1092. Alternative 2. Eliminate the Governor's provision. Instead, modify current law relating to partial community service job (CSJ) placements by specifying in the statutes that the monthly grant amount would be prorated as follows: (a) for an assignment of work activities up to 10 hours per week, the grant amount would be prorated by 1/3; (b) for an assignment of work activities of 10 to 15 hours per week, by 1/2; (c) for an assignment of work activities of 15 to 20 hours per week, by 2/3; and (d) for an assignment of work activities in excess of 20 hours per week, the grant amount would be \$673. Specify that the grant amount would be based on the financial employment planner's determination of the appropriate number of hours for a participant at the time of the application process or a regularly-scheduled review. Require DWD to implement the partial CSJ provisions within three months after the bill's general effective date.

32. LFB Paper #1093. Delete the Governor's recommendation and repeal the current provisions regarding the wage-paying community service job pilot program in Milwaukee County.

33. LFB Paper #1095. Alternative 2. Modify the bill to eliminate the current 60-day residency requirement, and instead specify that, in order to be eligible for a W-2 subsidized employment position or job access loan, an individual must be a resident of Wisconsin. Under this option, if the Department determines through monitoring of the program and with specific data that

elimination of this provision has a significant fiscal impact, it could request additional funding under s. 13.10.

34. LFB Paper #1096. Alternative A1 -- Modification. Reduce funding budgeted in DHFS for kinship care benefits by \$2,326,500 PR in 1999-00 and \$502,400 PR in 2000-01 and provide a corresponding reduction in federal TANF funds budgeted in DWD to reflect a reestimate of the cost of kinship care benefits in the next biennium.

35. LFB Paper #1096. Alternative D1. Delete \$1,586,000 GPR and \$2,200,000 FED from base funding for kinship foster care and instead budget these funds in community aids or the DHFS Bureau of Milwaukee Child Welfare, as appropriate, and delete appropriation language regarding kinship foster care to reflect that counties, or DHFS in Milwaukee County, would make payments to foster parents related to the children in their care or providing care to teenage parents from community aids or their out-of-home care budget, rather than a separate kinship foster care allocation.

36. LFB paper #1096. Delete all of the Governor's recommended statutory changes relating to kinship care benefits. Instead, provide \$500,000 PR in 1999-00 in DHFS and provide a corresponding increase in federal TANF funds budgeted in DWD which would be used by DHFS to supplement kinship care allocations in order to prevent the need to place eligible kinship care relatives on a waiting list if payments for kinship care exceed the amount allocated. Specify that DHFS could carry any of the unused funding from this provision to 2000-01.

Specify that a county may request supplemental funding from DHFS if payments for kinship care in that county exceed that county's allocation. Require DHFS to supplement the county's allocation if DHFS verifies the need for the supplemental allocation to eliminate kinship care waiting lists. This motion would not preclude DHFS from reobligating funds from other counties on a voluntary basis in order to address waiting lists. Specify that this same criteria applies to a request for additional funding from the DHFS Bureau of Milwaukee Child Welfare, which is responsible for making kinship care payments in Milwaukee County.

Further, if DHFS exhausts funding from the \$500,000 that would be provided under this provision, require DHFS to submit a request for supplemental funding for kinship care benefits under s. 16.515 of the statutes.

37. LFB Paper #1097. Require DHFS to reallocate 1.0 GPR vacant position and corresponding funding to provide increased oversight of the kinship care program. This position would provide program oversight and monitoring, technical assistance to counties in administering kinship care, serve as the liaison to DWD and the DHFS Bureau of Milwaukee Child Welfare (which administers kinship care in Milwaukee County) and develop policies and procedures related to kinship care. GPR funding used to support this position could be counted towards the state's maintenance-of-effort requirement under TANF.

38. LFB Paper #1098. Alternative 2. Modify the Governor's recommendations to provide \$4,559,200 PR in 1999-00 and \$6,838,800 PR in 2000-01 and specify that the monthly SSI caretaker supplement payment for the first child in the home would be \$250, rather than \$150.

Provide an additional \$10,900 PR in 1999-00 to reflect one-time costs to implement the change in the benefit level. Provide a corresponding increase in federal TANF funds budgeted in DWD. Specify that the effective date of the modification would be November 1, 1999, or the day after publication of the bill, whichever is later.

39. LFB Paper #1099. Alternative 4. Modify the Governor's proposal by specifying that a person could be eligible for emergency assistance if the person is in danger of becoming homeless, as evidenced by a notice of impending foreclosure action or a notice terminating tenancy.

40. LFB Paper #1100. Alternative 2. Adopt the Governor's recommendation to increase the reimbursement for services provided under the Children First program to \$400 per participant. Decrease funding for the program by \$176,400 FED each year to reflect recent participation levels. Total funding of \$1,140,000 per year would be provided under this alternative.

41. LFB Paper #1101. Decrease funding by \$2,500,000 FED in each year. Under this alternative, annual funding for the early childhood excellence initiative would be \$7,500,000 rather than \$10,000,000.

42. LFB Paper #1102. Alternative A2. Modify the Governor's proposal by: (a) specifying that funding would have to be used for job readiness and placement services to unemployed persons; basic skills development; post employment services to assist with job retention; incumbent worker training to promote job advancement and increased earnings; and services to employers to retain workers and provide career progression paths; (b) requiring that DWD allocate an equal amount of funding to each W-2 agency, with additional funding provided based on the agency's case management, FSET, diversion, noncustodial parent, and child care cases; and to workforce development area boards based on a formula that considers the population under 200% of the federal poverty level in the area, labor force participation and local unemployment rates; and (c) requiring DWD to include in all contracts for workforce attachment funds performance measures based on employment placement for unemployed persons, job retention, increased earnings and increased child support collections for noncustodial parents.

43. LFB Paper #1102. Alternative A5. Modify the Governor's proposal by reducing funding for the workforce attachment fund by \$10,000,000 FED in 2000-01. Total funding would be \$10,000,000 annually.

44. LFB Paper #1102. Alternative A6. Place all funds for the workforce attachment program into the Committee's appropriation for release under s. 13.10 upon approval of specifics regarding the program's design and planned implementation.

45. LFB Paper #1103. Provide \$7,500,000 FED in each year for the community youth grants program, an increase of \$2,500,000 in 1999-00 and a decrease of \$7,500,000 in 2000-01, compared to the bill. Of this funding, provide \$3,150,000 in 1999-00 and \$3,650,000 in 2000-01 to the following local organizations: (a) \$1,300,000 annually for Boys & Girls Clubs of America; (b) \$75,000 annually for Silver Spring Neighborhood Association; (c) \$1,000,000 in 1999-00 and \$1,500,000 in 2000-01 for the Safe and Sound Initiative; (d) \$125,000 annually for the Good

Samaritan Project, Inc.; (e) \$500,000 annually for the Youth Leadership Academy, Inc. and United Community Center; and (f) \$150,000 for the Milwaukee Passports for Youth Program. Specify that these organizations would not have to participate in a competitive process in order to receive these funds.

46. LFB Paper #1103. Alternative B2. Modify the Brighter Futures initiative to reflect several technical modifications requested by DHFS.

47. LFB Paper #1103. Alternative D2. Specify that tribes would continue to receive a total of \$180,000 (\$7,500 GPR and \$172,500 PR (TANF)) annually for adolescent pregnancy prevention and self-sufficiency programs, but that the tribes would not be subject to the requirements of the Brighter Futures initiative.

48. LFB Paper #1104. Alternative A2. Delete the position recommended by the Governor, and authorize DWD to reallocate a vacant position from within the Division of Economic Support to perform functions related to the literacy initiative. Reduce funding by \$45,900 FED annually from the amounts provided in the bill.

49. LFB Paper #1104. Alternative B3a. Specify that funding under the literacy initiative must be used for projects that focus on family literacy.

50. LFB Paper #1104. Decrease funding for literacy grants by \$650,000 FED annually.

51. LFB Paper #1104. Alternative B3d. Specify that DWD (along with staff from WTCS, DPI and the Governor's Office) would be required to develop criteria to be used to evaluate proposals and allocate funding for literacy grants.

52. LFB Paper #1104. Alternative B3g. Require grants to be provided directly to existing literacy providers. Under this alternative, no grants would be provided to W-2 agencies. However, the literacy providers would be required to work with the local W-2 agency to ensure that services are provided to W-2 participants as needed.

53. LFB Paper #1104. Alternative C5. Modify the Governor's recommendation by: (a) establishing a separate PR-funded grants to libraries for literacy services appropriation; (b) shifting \$25,000 PR annually from the Office's assistance from state agencies appropriation to this new grants to libraries for literacy services appropriation; and (c) referencing this new appropriation under DWD's federal block grant operations appropriation.

54. LFB Paper #1105. Alternative E1. Specify that any AODA or substance abuse grant programs supported by TANF serve only families with income at or below 200% of the federal poverty level.

55. LFB Paper #1107. Modify the Governor's recommendation by: (a) providing \$500,000 annually of federal TANF funding to support WIC nutrition, education and outreach activities; (b) directing DWD to transfer this funding and the funding provided under the bill to DHFS to be distributed to local WIC agencies under DHFS WIC contracts; and (c) reducing

funding for WIC by \$500,000 GPR annually.

56. LFB Paper #1109. Alternative 4. Maintain current law (eliminate funding for workforce mentors).

57. LFB Paper #1110. Alternative B2. Maintain current law by providing \$52,000 GPR annually in the Department of Employee Relations for one state recruiter position and deleting \$52,000 of monies to be allocated the transfer of federal TANF monies.

58. LFB Paper #1110. Modify the Governor's proposal relating to funding for Head Start by providing \$3,712,500 GPR annually and decreasing TANF funding by \$6,187,500 PR annually in the Department of Public Instruction for the program. This would provide annual funding of \$3,712,500 GPR and \$3,712,500 PR for the Head Start program. Provide \$825,000 GPR annually for equalization aid in order to maintain two-thirds funding of partial school revenues.

59. LFB Paper #1111. Alternative 1. Delete \$6,160,000 PR annually and provide \$6,160,000 GPR annually for MPS full-day kindergarten and first grade programs. Maintain the current law statutory language related to full-day kindergarten and first grade programs.

60. LFB Paper #1112. Alternative 6. Maintain current law. (Delete \$5,00,000 in TANF funds annually for brownfields grants)

61. LFB Paper #1113. Alternative 2. Modify the Governor's recommendations by reducing GPR funding budgeted for the Board by \$1,900 annually and provide an additional \$1,900 PR annually so that 80% of the Board's projects and state operations would be funded with TANF funds transferred from DWD. Modify the federal TANF appropriation in DWD by a corresponding amount. Retain the current GPR appropriation for grants and create an interagency and intra-agency PR appropriation for the Board's operations. Convert 1.2 GPR positions to PR positions, beginning in 1999-00.

62. LFB Paper #1114. Alternative 2. Increase GPR funding by \$299,400 in 1999-00 and by \$249,500 in 2000-01 and decrease TANF funding by \$299,400 in 1999-00 and by \$249,500 in 2000-01 to reflect providing TANF funding for 10% of the recruit class in 1999-00 and for 25% of the recruit class in 2000-01. Also, modify the Governor's proposed statutory language to direct DMA to recruit a certain percentage of TANF-eligible recruits based on the annual funding level provided from TANF instead of requiring all recruits to be from TANF-eligible families.

63. LFB Paper #1115. Alternative 1. Provide \$1 million annually in federal TANF funding to support immunization education and outreach activities. Specify that these funds would be transferred from DWD to DHFS to be distributed under the IAP contract using the existing IAP distribution formula.

64. Transfer \$975,000 FED in 1999-00 and \$1,000,000 FED in 2000-01 in federal TANF funding from DWD to DHFS for domestic violence services for families whose income is at or below 250% of the federal poverty level. Require DHFS to distribute funding to organizations as

follows: (a) \$750,000 annually for 30 programs with each receiving funding of \$25,000 for enhancing support services including self-sufficiency, assisting victims in finding employment, case management, and children's programming; (b) \$200,000 annually for programs, with each receiving up to \$60,000, for services to underserved constituencies including individuals with developmental disabilities or mental illness, and minorities; and (c) \$25,000 in 1999-00 and \$50,000 in 2000-01 for costs to support one staff person for the Wisconsin Coalition on Domestic Violence who would provide legal support services to help victims attain legal assistance.

65. Provide \$100,000 annually from the TANF block grant to the Wisconsin Trust Account Foundation (WisTAF) for the provision of legal services to low-income families whose income is at or below 200% of the federal poverty level to the extent permitted by federal law. Require that funding be distributed to WisTAF in proportion to the amount of private donations received to fund services for eligible families, and only after the submission of a report on the amount of private donations received to fund legal services for eligible families. Require WisTAF to: (a) set up a separate account for the federal funds; (b) distribute the funds to groups proportionally to the matching individual contributions of grantees; and (c) prepare a report for distribution to the Joint Committee on Finance on which organizations received the funding. Specify that total administrative costs for the grants, including both the federal funding and the private donations, could not exceed 10% of total expenditures.

66. Provide \$150,000 FED annually to be transferred from the DWD to DHFS to increase funding available for grants to programs that provide services for runaway children.

67. Provide \$100,000 in TANF revenues annually for the Wausau school district for a program to teach English to 3-year-old, 4-year-old and 5-year-old Southeast Asian children.

68. Provide \$100,000 in TANF revenues annually for the Milwaukee Jobs Initiative, Inc.

69. Specify that the participation period for a W-2 employment position must be from the 26th day of one month to the 25th day of the next month. In addition, require that DWD issue benefit payments on the first day of the month after the participation period ends.

Note:

Under this motion, the ending TANF balance in 2000-01 is estimated at \$1.4 million. In addition, \$95 million would be placed in the Joint Committee on Finance's appropriation as a contingency reserve.

[1998-99 Change to Bill: -\$33,700,000 GPR, \$33,700,000 FED and \$58,000,000 PR]

[1999-01 Change to Bill: \$33,700,000 GPR-Lapse, -\$33,700,000 FED-REV, -\$58,355,900 GPR, -\$160,497,900 FED, \$117,011,900 PR and -2.0 PR positions]

TANF free-standing motion

******* Burke motion:**

- ❖ Research has demonstrated a strong link between child maltreatment and criminal behavior.
 - A study sponsored by the National Institute of Justice found that childhood abuse increased the odds of future delinquency and adult criminality overall by 40 percent.
 - Medical experts tell us that child abuse and neglect can cause abnormal brain development, making children ill-equipped to respond positively to the world around them in later years.
 - An investment in child abuse prevention *IS* an investment in crime prevention.
- ❖ 1% for Prevention Pledge – A broken promise.
 - Recognizing this strong link between child abuse and future delinquency, Wisconsin became a national leader last session by tying funding for child abuse and neglect prevention to the corrections budget.
 - As part of the new truth in sentencing law, the legislature committed to setting aside an amount equal to 1% of the corrections budget to fund child abuse and neglect prevention efforts.
 - The 1% for prevention promise rang hollow when DHFS requested no new money for prevention efforts.
- ❖ The state should honor its commitment to child abuse and neglect prevention funding by investing “new money” in existing programs with a proven track record in reducing child abuse and neglect.
 - Under this motion:
 - \$2,457,000 TANF each year of the biennium goes to the Child Abuse & Neglect Prevention Board for strengthening families by expanding the number of Family Resource Centers statewide from 17 to 27 and the number of community-based prevention grants from 21 to 28.
 - This initiative will move us closer to achieving the goal of having comprehensive prevention programs available in all communities.

Prepared by: Deb

Senator Moore
Senator Burke
Rep. Riley

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Substance Abuse Services
[Paper #1105]

Motion:

Move to provide \$5,000,000 GPR annually in the Department of Health and Family Services for substance abuse services in Milwaukee County. Require DHFS to distribute the funding as grants for substance abuse services in Milwaukee County to individuals whose family income is less than or equal to 200% of the federal poverty level (FPL). Specify that DHFS must award the grants on a competitive basis and that a county agency and private nonprofit organizations, except W-2 agencies, would be eligible for the grants. Specify that funding could be used for substance abuse services to the extent permitted by federal law regarding the use of maintenance of effort dollars under the temporary assistance to needy families (TANF) program.

Decrease funding in the Department of Workforce Development (DWD) by \$5,000,000 GPR annually and replace the reduced GPR with federal TANF funds.

Note:

This motion would transfer \$5.0 million GPR annually from DWD to DHFS for grants for substance abuse services. The GPR transferred from DWD would be replaced with federal TANF revenues. Funds used for substance abuse grants would have to meet federal requirements for the TANF maintenance of effort requirement. Therefore, services would have to be provided to families with minor children living in the home, which may include a noncustodial parent. Services that could be provided would be limited to services that were identified in the state's former plan under the aid to families with dependent children and job opportunities and basic skills programs. Medical services would be allowable.

Under the motion, grants would be provided for substance abuse services for low-income individuals in Milwaukee County. DHFS would be required to distribute the funds competitively to a county or nonprofit agency, except W-2 agencies would not be eligible for the grants. The motion specifies that services would be provided to individuals whose family income is less than or equal to 200% of the FPL.

[Change to Bill: \$10,000,000 FED]

MO# 862

2	BURKE	(Y)	N	A
	DECKER	(Y)	N	A
	JAUCH	(Y)	N	A
1	MOORE	(Y)	N	A
	SHIBILSKI	(Y)	N	A
	PLACHE	(Y)	N	A
	COWLES	Y	(N)	A
	PANZER	Y	(N)	A
	GARD	Y	(N)	A
	PORTER	Y	(N)	A
	KAUFERT	Y	(N)	A
	ALBERS	Y	(N)	A
	DUFF	Y	(N)	A
	WARD	Y	(N)	A
	HUBER	(Y)	N	A
	RILEY	(Y)	N	A

AYE 8 NO 8 ABS

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Workforce Attachment Fund
[Paper 1102]

Motion:

Move to specify that funding provided to W-2 agencies under the Workforce Attachment Fund could be used to serve all families who are eligible for services under the federal temporary assistance to needy families (TANF) program.

Note:

Under the bill, \$10,000,000 in 1999-00 and \$20,000,000 in 2000-01 would be provided for a workforce attachment fund for post-employment services that promote job retention and advancement. The Department has indicated that funding would be provided along two tracks. Under track 1, funding would be provided to W-2 agencies to provide services to persons who: (a) were previously in subsidized employment positions; (b) previously received case management services from the agency; (c) applied for W-2 and were initially placed in unsubsidized employment; or (d) were previously in the food stamp employment and training program. Under track 2, funding would be provided to workforce development boards to serve families whose income is under 200% of the federal poverty level and who are not receiving services from W-2 agencies.

This motion would expand the population to whom the W-2 agencies could provide services to all TANF- eligible families whose income is under 200% of the federal poverty level.

MO#

	<input checked="" type="radio"/>	<input type="radio"/>	A
BURKE	<input checked="" type="radio"/>	<input type="radio"/>	A
DECKER	<input checked="" type="radio"/>	<input type="radio"/>	A
JAUCH	<input checked="" type="radio"/>	<input type="radio"/>	A
MOORE	<input checked="" type="radio"/>	<input type="radio"/>	A
SHIBILSKI	<input checked="" type="radio"/>	<input type="radio"/>	A
PLACHE	<input checked="" type="radio"/>	<input type="radio"/>	A
COWLES	<input checked="" type="radio"/>	<input type="radio"/>	A
PANZER	<input checked="" type="radio"/>	<input type="radio"/>	A
2 GARD	<input checked="" type="radio"/>	<input type="radio"/>	A
PORTER	<input checked="" type="radio"/>	<input type="radio"/>	A
KAUFERT	<input checked="" type="radio"/>	<input type="radio"/>	A
1 ALBERS	<input checked="" type="radio"/>	<input type="radio"/>	A
DUFF	<input checked="" type="radio"/>	<input type="radio"/>	A
WARD	<input checked="" type="radio"/>	<input type="radio"/>	A
HUBER	<input checked="" type="radio"/>	<input type="radio"/>	A
RILEY	<input checked="" type="radio"/>	<input type="radio"/>	A

AYE 5 NO 11 ABS

APPROVED BY THE BOARD OF DIRECTORS

DATE: 10/15/1970

APPROVED BY THE BOARD OF DIRECTORS

DATE: 10/15/1970

WORKFORCE DEVELOPMENT -- ECONOMIC SUPPORT AND CHILD CARE

Child Abuse and Neglect Prevention Funding
[Paper #1101]

Motion:

Move to provide \$340,000 FED annually to be transferred from DWD to the Child Abuse and Neglect Prevention (CANP) Board to increase the award for family resource centers from \$80,000 to \$100,000 each.

Note:

This motion would provide \$340,000 annually in federal TANF funds to be transferred from DWD to the CANP Board to increase the award for the Board's 17 family resource center grants from \$80,000 each to \$100,000 each. Prior to a reduction in federal funding in 1997-98, the Board funded the centers at \$100,000 each. With the federal funding reduction, the Board reduced the award to \$80,000 each.

The program revenue increase provided under this motion reflects the transfer of TANF funds from DWD to the CANP Board (\$340,000 PR annually).

[Change to Bill: \$680,000 PR and \$680,000 FED]

MO# _____

2	BURKE	<input checked="" type="radio"/>	N	A
	DECKER	<input checked="" type="radio"/>	N	A
1	JAUCH	<input checked="" type="radio"/>	N	A
	MOORE	<input checked="" type="radio"/>	N	A
	SHIBILSKI	<input checked="" type="radio"/>	N	A
	PLACHE	<input checked="" type="radio"/>	N	A
	COWLES	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	PANZER	<input checked="" type="radio"/>	N	A
	GARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	PORTER	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	KAUFERT	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	ALBERS	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	DUFF	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	WARD	<input checked="" type="radio"/>	<input checked="" type="radio"/>	A
	HUBER	<input checked="" type="radio"/>	N	A
	RILEY	<input checked="" type="radio"/>	N	A

AYE 9 NO 7 ABS 0